

# CLASSIFICATION OF HOTELS

Grouping hotels based on various criteria is known as classification.

Hotel classification serves the following purpose:

- Lends uniformity in services and sets general standards of a hotel
- Provide an idea regarding the range and type of hotels available within a geographical location
- Acts as a measure of control over hotels with respect to the quality of services offered in each category.
- Helps tourist select a hotel that meets their requirement.

## CLASSIFICATION ON THE BASIS OF

1. **Size**
2. **Location and clientele**
3. **Star**
4. **Ownership basis**
5. **Degree of service offered**

## ACCORDING TO SIZE

- **SMALL SIZED HOTEL:** less than 100 rooms
- **MEDIUM SIZED HOTEL:** between 100 to 299 rooms
- **LARGE SIZED HOTEL:** between 300 to 599 rooms
- **VERY LARGE HOTEL:** between 600 to 999 rooms
- **MEGA:** more than 1000 rooms

## ACCORDING TO LOCATION AND CLIENTELE

- **DOWNTOWN OR COMMERCIAL HOTEL:**  
Location: heart of the city / commercial area or busy business area  
Clientele: mostly business man  
Facility: modern facilities like 24 hr coffee shop, room service, business centre, travel desk  
Avg. duration of stay: 3 to 7 days
- **TRANSIT HOTEL:**  
Location: near the port of entry like bus stand, railway station, airport, sea port  
Clientele: mostly people who are traveling, layover passengers, tourist, misconnection passengers  
Facility: moderate to modern facilities  
Avg. duration of stay: few hours to few days
- **RESORT HOTEL**

Location: places with natural beauty like hill station, sea beach, forest etc.

Clientele: mostly holiday makers and tourist

Facility: moderate to modern

Avg. duration of stay: a week to few months

- **MOTEL OR MOTOR HOTEL OR FREEWAY HOTEL:**

Location: on highways

Clientele: motorist, tourist travelling by road

Facility: moderate to modern facilities

Special features: parking space against each room

Refueling station

Garage facility

Swimming pool

Avg. duration of stay: mostly over night

- **SUB- URBAN HOTEL :**

Location: outskirts of the city or suburb

Clientele: who have to stay for a longer duration, away from the hustle and bustle of the city

Facility: moderate, budgeted

Avg. duration of stay: longer duration, months

- **FLOATEL:**

Location: lodging properties that float on the surface of water.

## **ACCORDING TO STAR CLASSIFICATION/ STANDARD CLASSIFICATION**

The Star denotes the standards of the hotel. **Department of tourism, govt. of India** is responsible for the star gradation. An autonomous body (a committee) is responsible for star gradation of hotels known as Hotel and Restaurant Approval Classification Committee (HRACC), formed by the Ministry of Tourism, Govt. of India. After receiving the application form from hotel HRACC visits the hotel, check the standards and grade the hotel. The Department of Tourism prescribes the facilities which are to be provided in various star category hotels. The term for Star Gradation is for two years. The six grades of star are 5★Deluxe, 5★, 4★, 3★, 2★ and 1★. The categories of various star hotels have some criteria or facilities, which are called END.

E – Essentials (have to have)

N – Necessities (should have)  
D – Desirables (may or may not have)

Following are the members of HRACC:

- Secretary Tourism, Govt. Of India
- Regional Director of Tourism, Govt. Of India
- One representative from Federation of Hotels and Restaurants Association of India (FHRAI), who is generally the Secretary of the respective zone (of the four zones).
- One representative of the Travel Agents Association of India (TAAI), who is generally the Secretary of the concerned region.
- Director of Tourism of the state concerned
- Principal of the regional Hotel Management Institute.

(If any of the six members is absent on the day of visit, they are permitted to send their own representatives)

## **HOTEL STAR RATING GUIDE**

### **ONE STAR**

Typically small hotels , located near affordable attractions, with basic facilities, with a family atmosphere. Limited range and simple facilities and meals. Acceptable standards of maintenance, cleanliness and comfort

### **TWO STAR**

Economy hotel, small to medium size hotel, located near moderately priced attraction. Guest can expect little more than a one star, like comfortable well equipped room with attached bath, professional staff.

### **THREE STAR**

Moderate hotel, spacious accommodation, well equipped room and decorated lobbies, located near business areas, moderate to high price attractions, usually have medium size restaurant that serves breakfast through dinner. Facilities such as direct dial phone, toiletries, Room service, and pool are often provided.

### **FOUR STAR**

first class hotel, large formal hotel, located near major attractions, above average service levels, more than one restaurant, 24 hrs room service, laundry, valet parking, travel desk, wellness center, pool, high class room décor.

## **FIVE STAR**

superior hotel, high level of accommodation and service, large property, hotel lobby and rooms with stylish furnishing and linen, all modern and high end facilities and amenities, at least three restaurant, 24 hrs room service, concierge to assist you 24hrs.

## **FIVE STAR DELUXE**

Highest level of accommodation and service, this hotel provide all 5 star facilities like ultimate decor and high degree of personal service like butler service.

## **HERITAGE HOTELS**

A recent addition to the hotel industry in the country, heritage hotels are properties set in small forts, palaces or havelis. In a heritage hotel, a visitor is offered rooms that have their own history, is served traditional cuisine, is entertained by folk artistes, get a glimpse into the heritage of the region. According to the ministry of tourism, the heritage hotels are further subdivided as follows:

**Heritage** – built between 1935 and 1950

**Heritage classic** - built between 1920 and 1935

**Heritage grand** - built prior to 1920

## **OWNERSHIP BASIS:**

- **PROPRIETARY OWNERSHIP / INDEPENDENT HOTEL:** owners' hotel  
Proprietary ownership is the direct ownership of one or more properties by a person or company. Small lodging properties are owned by family and large properties are owned by major international hotel companies. No affiliations or contract with other property, No tie up with other hotels. Owner has independent control  
Profit goes to the owner. Quickly respond to market changes. Work with limited finances
- **MANAGEMENT CONTRACTED HOTELS:** management by others  
Properties owned by individuals or partners, operated by external professional organization for management fee.  
Adv. – international recognitions, operating systems, training program, marketing, international expertise, profitable operations, advertisement, reservation system, staff.
- **CHAIN HOTEL:** a group of hotels that are owned or managed by one company is called chain hotel.

Adv.: Large central organization providing central reservation system, management aids, financial strength, expertise, manpower, specialties, promotions

- **FRANCHISE HOTELS/ AFFILIATED:**

It is the authorization given by a company to another company or individual to sell its unique products and services and use its trademark according to the guidelines given by the former, for a specified time and at a specified place.

Franchise owner (franchisor) grant another hotel( franchisee) the right use its methods & system, technical services, marketing trademark, signs etc. for fees.

Adv.-

Opening assistance- architectural, interior designs

Systems and procedure

Staff training

Financial assistance

Advertising and global marketing

Central reservation

Central purchase

- **REFERRAL CHAIN:**

A referral chain is made up of independently owned and operated hotel and provides shared advertisement, joint reservation system and standardized quality. Virtually there is no shared management or financial functions

- **TIME SHARE / VACATION OWNERSHIP/ HOLIDAY OWNERSHIP:**

Each room is owned by several people for different time period. Each owner gets a stay of specific period for a number of years.

One time purchase is made by paying purchase price & payment of a yearly maintenance fee.

Generally located at dream sites like beaches, hill, waterfall etc.

Adv.- long term accommodation, comfort homes, economical, good location, international exchange possible.

- **CONDOMINIUM:**

Joint ownership of a complex.

Type of accommodation where owner of a room or an apartment in a complex, of several such accommodations, furnishes it and informs the management of the times when he will be using it. He permits to rent out the apartments at other times and the rent goes to the owner. The owner pays the monthly maintenance fee.

## **DEGREE OF SERVICE OFFERED**

- **UPMARKET/ LUXURY/ WORLD CLASS SERVICEHOTELS**

Targeting the affluent segment of society, hotels in the up market category offer world class products with personalized service of the highest standards. The emphasis is on excellence and class. These hotel provides upscale restaurant and lounges, exquisite décor, concierge service, abundant amenities.

- **MID MARKET/ MIDSEGMENT SERVICE HOTELS**

These hotels offer modest services without the frill and personalized attention of luxury hotels, and appeal to the largest segment of travelers. they offer services such as room service, round the clock coffee shop, pick up drop, multi cuisine restaurant and bar.

- **BUDGET OR ECONOMY HOTELS OR LIMITED SERVICE**

Focus on meeting the most basic needs if guests by providing clean, comfortable and inexpensive rooms. Hotels have clean and comfortable guest rooms , coffee shop, a multi cuisine restaurant , in room telephone and channeled music and movies, swimming pool, health club.

## **CLASSIFICATION ON THE BASIS OF CLIENTELE:**

- **BUSINESS OR COMMERCIAL HOTEL:** cater to the business traveller, generally situated in the city Centre.
- **TRANSIENT HOTEL:** cater to the needs of people who are on the move and need a stopover en route their journey, situated in close proximity of ports of entry.
- **RESIDENTIAL HOTEL:** cater to the guest who stays for a long duration.
- **CASINO HOTEL:** casino hotel provide gambling facilities.
- **CONFERENCE HOTEL:** hotel cater and organize conference
- **CONVENTION HOTEL:** who organize convention and cater to the guest who come to attend the convention.
- **SANATORIA:** hotel which has health club and spa, and caters to the people who came to these spas for treatment.

## **CLASSIFICATION ON THE BASIS OF DURATION OF GUEST STAY:**

- **COMMERCIAL HOTEL:** duration of stay is short, usually 1-7 days
- **TRANSIENT HOTEL:** duration of stay from few hours to 1 day
- **SEMI RESIDENTIAL HOTEL:** duration of stay range from few weeks to some months
- **RESIDENTIAL / APARTMENT HOTEL:** duration of stay range from months to few years
- **EXTENDED STAY HOTEL:** duration of stay few days to weeks.

## **OTHERS**

### **CITY CENTER HOTEL:**

By virtue of their location, meet the needs of the traveling public for business or leisure reasons. These hotels could be luxury, business, economy or residential.

### **AIRPORT HOTEL:**

Hotel located near the airport, clientele mainly consist of travelers arriving and departing from airport. Facilities include 24 hrs coffee shop and room service.

### **CASINO HOTEL:**

Serves guest who want to gamble and have a casino. Not very popular in India. In addition to gaming, a multi cuisine restaurants, spa, dance club etc are also available.

### **CONVENTION HOTEL:**

Hotel provides facilities and meets the needs of group attending and holding conventions and conferences. Have much banquet area, meeting rooms in and around hotel complex. Facilities include 24 hrs room service, in house laundry, travel desk, airport shuttles twin bedded rooms.

### **APARTOTEL:**

Apartment building also used as a residential hotel. Purchase of hotel entitles full service of hotel, when not occupied, it is added in the hotel pool to earn revenue.

### **BOUTIQUE:**

Small, expensive, informal atmosphere, gives personal service, all outlet has different theme. All rooms have different theme and decoration.

### **AUBERGE, GASTHOF, HERBERGE:**

Small units like inn which provide complimentary bar, restaurant and bedroom for travelers. Emphasis is given on eating and drinking facilities.

**BORDING HOUSE/ PENSION:**

Accommodation usually with meals for a definite period of time commonly for a week or more. Also know as guest house, or pension.

**HOLIDAY VILLAGE:**

Hotel that provide accommodation with other facilities like recreation, sports facilities, individual kitchen, green zone, library, nursery, television room, landscaping.

**PALACE HOTEL:**

Indian concept, maharajas palaces are converted into hotels, gives old heritage, architecture, modern facilities in traditional style, and traditional way of service.

**MATELS:**

Fully automated hotels which require minimum human contact. Online booking, self check in, check out, outsourced cleaning crew.

**SANATORIA:**

Found at spas and health resorts. Rooms equipped with sauna, Jacuzzi. Meals are personalized diet regimes of the guest. Hotel has dietician, doctors and medical arrangements.

**OTHER TYPES OF ACCOMMODATION /  
SUPPLEMENTARY ACCOMMODATION**

**Supplementary Accommodation can be described as premises which offer accommodation but not the extra services of a hotel.** It plays a very important role in the total available tourist accommodation in the country. It caters to both international and domestic tourist traffic. Main distinguishing features are:

1. The standard of comfort is moderate to that of a hotel.
2. They sell accommodation at much lower price.
3. They have an informal atmosphere.

**CAMPS:**

Usually located on the trekking routes. Provide parking space, common toilets, tents, camp fire, and other basic services.

**YOUTH HOSTEL:**

Have dormitory style accommodation, common toilets, dining areas, simple food, fixed menu, and gym and sports area

**PAYING GUEST:**

Guest pays and stays with the owner for a longer duration, food and accommodation provided.

**GOVERNMENT HOUSES:**

Also known as Dak Bungalows, Circuit houses, Forest lodges and PWD houses. Set in British raj for different reasons. Have a local person as caretaker who cooks, cleans, assist and provide security. Initially Dak bungalows were used for postal and courier service, circuit house for higher ranked officers, forest house for forestry officials and PWD house for road and electricity department officials.

**FLOATEL:**

Hotels built on the water surface, do not move, docked at ports. Provide exclusive and exotic atmosphere.

**BOATELS:**

Floating hotels, takes passengers from one place to another. Provide food and accommodation.

**ROTELS:**

Accommodation on wheels is known as Rotels. Different types of Rotels are caravans, palace on wheels and new sleeper buses.

**HOSPICES:**

Traditional lodges in Europe for Christian pilgrims to Jerusalem. Provide meditation centers & prayer rooms, food etc. in India we find DHARMSHALA.

**GUEST HOUSE:**

Small place which provide basic boarding and lodging services.

**DORMITORIES:**

A room with several beds, toilets is in end of the corridor.

**HOLIDAY HOMES:**

Small accommodation, affiliated to companies meant for the company people to go and stay.

**Time share Hotels**

Time share properties involve individuals who purchase the ownership of accommodations for a specific period of time- usually one or two weeks a year. These hotels are very popular in resort areas.

## **Condominium Hotels**

The difference between the time - share and condominium hotels lies in the type of ownership. Units in condominium hotels (A condominium is a unit consisting of a living room, dining area, kitchen, bathroom and one or more bedrooms) only have one owner instead of multiple owners. In a condominium hotel, an owner informs the management company of when he or she wants to occupy the unit. The management company is free to rent out the unit of the remainder of the year. Condominium owners receive revenue from the rental of their units and pay the management company a fee for advertising, rental, housekeeping and maintenance services.



IHM NOTES