

## **SOCIO-ECONOMIC AND MANAGEMENT CONCEPTS**

### **SECTION NAME – ECONOMY OF MANAGEMENT AND ADMINISTRATION OF RADIO TECHNOLOGY**

Article title:

#### **THE DYNAMICS OF DEVELOPMENT OF THE MAIN TYPES OF FOOD AND BEVERAGE SERVICES IN THE HOTEL AND RESTAURANT ENTREPRENEURSHIP**

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Restaurants and hotels were founded in every country around the world many years ago. In modern times, the economy of hotels and restaurants is closely related to the tourism industry, business travel, etc. In turn, the tourism industry is an important part of the economies of many countries in the world.

For example: «The U.S. travel and tourism industry generated over \$1.6 trillion in economic output in 2017, supporting 7.8 million U.S. jobs» [1]. Almost a fifth of this amount was travellers spent (more than \$300 billion) on traveller accommodations, they also spent more than \$254 billion on food services in 2017 [1].

According to various market forecasts, the annual growth of the global market for food services before the covid pandemic was estimated at about 4.3% in the world and 3.1% in Europe. But the covid pandemic has made its own tough adjustments.

According to preliminary estimates, the annual growth of the global food services market in 2020-2027 will be about 2.2% [2].

Due to the coronavirus pandemic, many restaurants and hotels in the world are suffering significant losses and are closing. For example, in Ukraine, restaurateur Savely Libkin closed eight out of ten of his restaurants this year. «And only two restaurants – «Kompot» on Deribasovskaya in Odessa and «Steak House» in Kyiv will operate in the take away mode through a special window» [3].

Therefore, the topic of providing hotels and restaurants with food remains especially acute and relevant in modern economic conditions.

The works of such scientists as Pam Tau Lee, Manish Gupta, O. Borisova, O. Vorobyov, O. Butenko, K. Gavrish, O. Golovko, N. Danko, M. Dolishniy, G. Krul, L. Kuzmenko, M. Malska, I. Minich, L. Nechayuk, J. Ostapenko, O. Shapovalova, O. Yurchenko and others are devoted to the research of problems of development of hotel and restaurant business. The works of these scientists explore various issues of hotel and restaurant business development. At the same time, there is no single classification of the main types of food and beverage services in the hotel and restaurant entrepreneurship. Also, the issues of the dynamics of development of the main types of food and beverage services on the context of the current coronavirus pandemic remain open. This article is devoted to the study of the above two aspects.

Generally, «The primary function of a restaurant is to provide food and drink to people outside the home» [4]. From the very beginning, in hotels, the function of feeding guests is a concomitant one.

However, since the 50s, the twentieth century, the role of the catering service in hotels as a source of income began to increase, and now it also brings significant profit almost equal to the role of rooms.

«Hence the increased attention to this service - hotel restaurants are becoming more and more luxurious, the number of them in one hotel is increasing, there are specialized restaurants with national cuisines, coffee houses, bars, etc.» [5].

Very close to the term hotel and restaurant business is the term HoReCa, - «is a sphere of hospitality and catering services... HoReCa (Horeca) is a segment of the

service sector and a distribution channel for goods with direct consumption of goods at the point of sale». The term itself is an abbreviation from the words Hotel, Restaurant, Catering (Cafe) [6].

Similarly to HoReCa, the marketing of providing food for hotels and restaurants can be divided into 2 groups:

1) Marketing of goods, which are sold directly inside the point of sale.

2)«Marketing of points of sale (hotels, restaurants, etc.). Marketing is carried out not only inside, but also outside the point of sale (company branding, loyalty programs, etc.)»[6].

Accordingly, the management of food provision for hotels and restaurants can be classified in several main areas:

- management of procurement, logistics and food delivery channels;
- management of conservation processes, processing and cooking;
- management of food and beverage services etc.

F&B services can be a part of hotel business and it can also be an independent business.«Food and Beverage cost is the biggest cost for any restaurant which range between 30-40% of revenue depending on the style of restaurant»[7].

The star-ranked hotels often offer different F&B services:

1. Restaurants serving lunch and breakfast of different cuisines of the world.
2. Lounge.
3. Coffee shops, often located on the ground floors.
4. Room service.
- 5.Poolside BBC outdoors.
6. Banquet service.
7. The hotel bar, like a nice place to sit down for a drink.
8. Outside catering service [8].

In the restaurants of hotel complexes usually offer the following food conditions:

«1) full board, i.e. three meals a day (breakfast, lunch and dinner) -full board (FB);

2) half board, i.e. two meals a day (breakfast plus lunch ordinner) - half board (HB);

3) only breakfast, i.e. one-time meal - bed and breakfast (BB)» [9, c 140].

The scientific and professional literature distinguishes different views to the classification of types of service in restaurants. For example, in accordance with one classification, the following types of F&B services in hotels and restaurants are distinguished: «1) Plate service, 2) Cart service, 3) Platter service, 4) Buffet service, 5) Family style service» [10].

Further, in accordance with this classification, the above-selected types are divided into 18 subcategories: 1. Table service, 2. English service, 3. French Service, 4. Silver Service, 5. American Service, 6. Russian Service, 7. Cart Service, 8. Snack Bar Service, 9. Self Service, 10. Buffet Service, 11. Cafeteria Service, 12. Single Point Service, 13. Room Service, 14. Take Away Service, 15. Mobile Pantries, 16. Blue Plate Service, 17. Automatic or Conveyer Belt Service, 18. Robotic Service [10].

According to another classification, the following types of food and beverage services are distinguished:

1. Table Service in seven variants:

1.1. *English or Family Service*

1.2. *American or Plate Service*

1.3. *Plate Service*

1.4. *French Service, which i two variants: Cart French Service and Banquet French Service*

1.5. *Gueridon Service*

1.6. *Silver Service*

1.7. *Russian Service*

2. Assisted Service

3. Buffet Service

4. Self Service

5. Cafeteria Service

6. Single Point Service, which consists of:

6.1. *Food Court*

6.2. *Kiosks*

6.3. *Take Away*

6.4. *Vending*

7. Special Service which includes:

7.1. *Grill Room Service*

7.2. *Tray Service*

7.3. *Trolley/Gueridon Service*

7.4. *Home Delivery*

7.5. *Lounge Service*

7.6. *Room Service [11].*

In general, food delivery systems for hotels have not undergone much change in connection with the coronavirus pandemic. In contrast, many innovations have been introduced in the catering sector of hotels and restaurants [12]:

1. QR codes for menus, which were previously also used, but are now getting more and more widespread.
2. Contactless delivery and self-delivery of food.
3. Disposable product packaging.
4. Knock and leave service - «the staff knocks on the door, stands six feet away from the customer and lets you pick up a meal that's in a disposable package».
5. Redevelopment of premises for catering to visitors taking into account the quarantine requirements.
6. Drone food delivery [13].
7. Social distance dummies that prevent visitors from taking seats near other groups of people without social distance.
8. TV tasting of food and drinks, virtual tours of hotels and restaurants.
9. Picnic on request and al fresco dining etc. [12]

Consequently, in the hotel and restaurant entrepreneurship, we can observe a gradual (accelerated by the coronavirus pandemic) transition from classical forms of F&B services to modern and further to innovative ones.

Table 1. Classification of F&B services in the hotel and restaurant entrepreneurship.

	Classical	Modern	Innovative
1	Table Service	Single Point Service	Contactless delivery
2	Assisted Service	Special Service	Knock and leave service
3	Buffet Service	Picnic on request and al fresco dining	TV tasting of food and drinks
4	Self Service	QR codes for menus	Drone food delivery
5	Cafeteria Service	Disposable product packaging.	etc.

Conclusions: Today, the hotel and restaurant business must operate in force majeure, in a pandemic, with constant restrictions on activities due to quarantine imposed by the states. This situation is observed all over the world. An innovative breakthrough, a way out of this difficult situation was the active introduction of computerization, Internet technologies, online services that help the existence of the restaurant business today, and open up new opportunities to promote their product on the market.

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