Structure of the Food Service Industry
Objectives

1. To discuss the hospitality industry and the types of businesses included.

2. To analyze the history of the food service industry and note people who have influenced its evolution.

3. To differentiate commercial and institutional food service and identify various types of food service operations.

4. To recognize the various types of food service ownership.

5. To explore food service management and the job opportunities in food service.
The Hospitality Industry
The Hospitality Industry

• Refers to all of the services people use when they are away from home
• Is considered a segment of the travel and tourism industry
  – also includes the transportation service industry
• Employs more than 14 million Americans
The Hospitality Industry

• Is primarily a service industry
  – even though a good, or tangible product, is often provided, the main focus is the experience and courtesy involved

• Is concerned with providing goods and services which make travel and leisure more enjoyable and convenient
The Hospitality Industry

- recreation and entertainment
- lodging
- food service
Recreation & Entertainment

- amusement and theme parks
- museums, zoos and exhibits
- theatrical and musical performances
- sports events and clubs
- casinos
- ski resorts
- beaches and marinas
Lodging

• Includes:
  – resorts
  – hotels
  – bed and breakfast houses
  – motels
  – trailer and RV parks
Food Service

• Includes:
  – commercial food service
    • provided to the general public with the main goal of generating profits
    • accounts for roughly 75 percent of the food service industry
Food Service

• Includes:
  – institutional food service
    • provided by institutions such as hospitals and schools for members, visitors, etc. with the main goal of supporting the establishment’s main function
    • accounts for roughly 25 percent of the food service industry
Food Service

• Includes:
  – commercial
    • restaurants
    • catering
  – institutional
    • stadiums and clubs
    • airlines
    • cruises
    • schools and universities

• prepared food retail
• vending machines
• child-care facilities
• military facilities
• health-care facilities
• businesses
Food Service Concepts

• Incorporate all details of the operation
  – type of food
  – services provided
  – décor and/or theme
  – price range
  – expected target customers
The Hospitality Industry Assessment
1. How many Americans are employed by the hospitality industry?
   A. 4 million
   B. 14 million
   C. 24 million
   D. 4 billion

2. Which of the following is true of the hospitality industry?
   A. It refers to all services people use when they are away from home
   B. It is primarily a goods industry
   C. It is concerned with making home life more comfortable
   D. It is a segment of the consumer services industry
3. Which of the following is NOT included in the hospitality industry?
   A. Lodging
   B. Transportation service
   C. Food service
   D. Recreation and entertainment

4. Which segment of the hospitality industry includes theme parks, zoos and beaches?
   A. Lodging
   B. Transportation service
   C. Food service
   D. Recreation and entertainment
Assessment

5. Commercial food service accounts for roughly what percentage of the food service industry?
   A. 41 percent
   B. 57 percent
   C. 75 percent
   D. 91 percent
History & Influence
Food Service Industry
Early History

300-400 B.C.
Ancient Greece and Rome

Dining out was uncommon, but private clubs, called lesche, offered food to members. Establishments called phatnai catered to travelers and traders.

475-1300 A.D.
The Middle Ages

Landowners held large banquets almost every night, meaning cooks had to prepare foods in large quantities.

1400-1600 A.D.
The Renaissance

Haute cuisine, an elaborate and refined system of food preparation was created. Also, cooking guilds were formed and established many of the professional standards and traditions still used today.
The first coffeehouse, or café, opened. As they became more popular, they made eating in public more acceptable and less taboo.

1650
Oxford, England

1765
Paris, France

A man named Boulanger began serving hot soups for health, called restaurers (meaning restoratives). He called his café a restorante, which eventually became today’s “restaurant”.

After the French Revolution, many cooks found themselves unemployed and so they began to follow Boulanger’s example and open restaurants. Within 30 years, Paris had over 500!

1800-1830
Paris, France
Very few early colonists ever dined out, but an inn called Cole's offered food and lodging to travelers.

Early 1800s
New England

European-style coffee shops began appearing.

Early 1800s
Boston, Massachusetts

With the invention of the railroad, food service facilities in inns, taverns and other shops became common near railway stations.

1888
New York City

1825-1900

Vending machines were introduced in the United States when installed on subway platforms. They sold Tutti-Frutti gum.
As factory owners became wealthy and eating out became a status symbol, entrepreneurs opened fancy restaurants offering dinners of up to 18 courses.

Cafeterias, or restaurants using assembly-line serving style, were created to quickly and cheaply serve the poorer masses.

The classic American diner was developed to feed factory workers. At first, they were horse-drawn kitchens on wheels which would be parked near the factories. Eventually, owners began buying property on which to permanently park the diner carts.

1800s

1850s-1920s
With employment at an all-time high, many restaurants specializing in lunch opened.

Kansas City restaurateurs launched a national organization, holding the first meeting of what is today’s National Restaurant Association.

The first quick-service, or fast-food, restaurant, White Castle®️, was opened.

Roy Allen and Frank Wright begin selling rights allowing people to sell their root beer (A&W®️), creating the first food franchise.

March, 1919
Kansas City

1921
Wichita, Kansas
Food service growth slowed, but continued despite economic difficulty. Quick-service restaurants became quite popular, partly due to the increased availability of the automobile. Dairy Queen®, Carl’s Jr.®, McDonald’s®, Sonic®, Whataburger®, Pizza Hut®, Sonic®, Whataburger®, Pizza Hut®, Baskin-Robbins®, Dunkin’ Donuts® and many more opened during this period.

Imperial Airways introduced the first in-flight lunch service, serving sandwiches on a flight from London to Paris.

Franchising became common practice for restaurateurs. For example, McDonald’s® had 200 restaurants by 1960.
The National Restaurant Association endorses the use of credit cards.

As Americans grew wealthier and traveled more, demand for exotic cuisine increased. More complicated foods with foreign influence, such as fondue, became popular.

Fast-food and casual, family-style, full-service restaurants took over, and the older-style diners and cafeterias drastically decreased in number.
Ethnic and themed restaurants became popular. Kahiki®, an elaborate Polynesian restaurant in Columbus, Ohio, was among the most famous.

The National Restaurant Association launches Restaurants USA magazine to keep members updated on industry news.

Public health concerns about nutrition and obesity caused restaurants to reform their menus and offer healthier options. Some restaurants even began reporting nutritional information on menus and/or packaging.

The National Restaurant Association Educational Foundation was created to produce educational programs and materials on everything from food safety to responsible alcohol service.
The Food Service Industry

• Has been influenced by many great chefs, including:
  – Marie-Antoine Carême
  – Georges August Escoffier
  – Fernand Point
  – Julia Child
  – Paul Bocuse
  – Alice Waters
  – Ferdinand Metz
  – Joël Robuchon
  – Alain Chapel
  – Michel Bras
  – Jean-Louis Palladin
  – Nobu Matsuhsisa
  – Alain Ducasse
  – Ferran Adria
The Food Service Industry

• Has been influenced by many great entrepreneurs, including:
  – the Delmonico brothers
  – Fred Harvey
  – Walter Scott
  – Walter Anderson
  – E.W. Ingram
  – Howard Johnson
  – Ray Kroc
  – Joe Baum
  – Frank Carney
  – Norman Brinker
  – Bill Darden
  – Zev Siegal
  – Jerry Baldwin
  – Gordon Bowker
  – Richard Melman
  – Tom Ryan
History & Influence
Assessment
Assessment

1. When were cooking guilds formed, establishing many of the professional standards and traditions still used today?
   A. 300-400 B.C. in ancient Greece and Rome
   B. 475-1300 A.D. during the Middle Ages
   C. 1400-1600 A.D. during the Renaissance
   D. 1800-1830 A.D. in Paris, France

2. When and where were the first vending machines introduced in the United States?
   A. 1634 in Boston, Massachusetts
   B. 1888 in New York City
   C. 1919 in Kansas City
   D. 1924 in Philadelphia, Pennsylvania
3. Which of the following occurred in 1921 in Wichita, Kansas?
   A. The first in-flight lunch was introduced
   B. The first meeting of the National Restaurant Association took place
   C. The first food franchise, McDonald’s®, was started
   D. The first quick-service restaurant, White Castle®, was opened

4. Which type of restaurants took over in the 1960s?
   A. Fast-food and casual, family-style restaurants
   B. Cafeterias and buffets
   C. Classic American diners
   D. Fine-dining restaurants and banquet halls
5. The National Restaurant Association Educational Foundation was created in which year?
   A. 1969
   B. 1974
   C. 1987
   D. 1992
Types of Food Service
Types of Food Service

• Include:
  – restaurants
  – catering
  – prepared food retail
  – vending machines
  – institutional
Restaurants

• Come in a wide variety of sizes and types
• May be classified as:
  – full service
  – quick casual
  – quick service
  – cafeteria
  – buffet
  – mobile (food truck)
Full-Service Restaurants

- Include full-service fine dining and full-service casual dining
- Offer complete table service
  - server takes orders, brings all food and drinks to the table, and is attentive throughout the meal
- Use high-quality plates, glasses and utensils
Full-Service Fine Dining

- Offers very high-quality cuisine, often cooked by an expert chef
  - multiple courses
  - visually appealing presentation
- Offers formal service and atmosphere
  - table cloths
  - fine china and silverware
  - formally dressed servers
  - elegant décor
- Is the highest priced type of restaurant
Full-Service Fine Dining

• Includes:
  – Morton’s®
  – Ruth’s Chris Steakhouse®
  – Pappadeaux Seafood Kitchen®
  – Roy’s Hawaiian Fusion Cuisine®
  – Spago® by Wolfgang Puck
Full-Service Casual Dining

- Offers quality food and drink
- Offers casual service and atmosphere
  - family friendly and relaxing
  - no dress code
  - casual décor
- Is usually catered toward the middle class
- Is less expensive than fine dining, but more expensive than quick-casual dining
Full-Service Casual Dining

• Includes:
  – On the Border®
  – Chili’s®
  – Ruby Tuesday®
  – Cracker Barrel®
  – Red Lobster®
Quick-Casual Restaurants

• Do not offer full table service
  – guests usually order at a counter and either the food is delivered to the table or the guest picks it up at a window

• Offer higher quality food than quick-service restaurants
  – typically food quality is equal to food quality of full-service casual dining restaurants

• Sometimes use disposable plates, cups and utensils
Quick-Casual Restaurants

• Include:
  – Jason’s Deli®
  – Genghis Grill®
  – Five Guys® Burgers and Fries
  – McAlister’s Deli®
  – Chipotle Mexican Grill®
Quick-Service Restaurants

- Are also known as fast-food restaurants
- Do not offer table service
- Typically offer a drive-through window or delivery services
- Offer budget-friendly food
- Use disposable packaging
Quick-Service Restaurants

• Include:
  – McDonald’s®
  – Taco Bell®
  – Kentucky Fried Chicken®
  – Subway®
  – Duncan Donuts®
Cafeteria Restaurants

• Allow customers to view and select food choices at a counter of options and carry meals to tables on trays
• Offer a wide variety of food
• Do not offer full table service
  – some may offer table service for drinks only
• May charge one flat for admission or may charge per item
Cafeteria Restaurants

• Include:
  – Furr’s®
  – Luby’s®
Buffet Restaurants

• Are similar to cafeteria restaurants, but customers serve themselves
• Offer a wide variety of food
• Do not offer full table service
  – some may offer table service for drinks only
• Are typically “all you can eat” for one price
Buffet Restaurants

• Include:
  – Golden Corral®
  – CiCi’s Pizza®
  – Old Country Buffet®
  – HomeTown Buffet®
Mobile Restaurants

- Are also known as food trucks or food carts
- Are kitchens built into vehicles which drive among locations to sell food
- May sell snacks, treats or full meals
- Allow customers to walk up to the vehicle to select their food and carry their food away from the vehicle to eat
- Are usually budget friendly
Catering

• Is large-scale food service for events, such as weddings, corporate dinners or parties
• Is offered by independent catering companies and some hotels and restaurants
• May mean delivering food to the event or cooking food at the event’s location
Prepared Food Retail

• Consists of retail stores which sell home meal replacements and ready-made dishes
• Has become a popular choice among consumers
• Examples include:
  – grocery stores selling rotisserie chicken
  – convenience stores selling hot dogs
Vending Machines

• Are machines which allow customers to insert money, push buttons indicating their food choice, and collect their food after it is dispensed
• Are popular in schools, businesses and public transportation centers
Institutional Food Service

• Is food service provided by institutions such as hospitals and schools for members, visitors, etc. with the main goal of supporting the establishment’s main function

• Includes partnerships between institutions and commercial food service operations – for example, a school or hospital might have well-known restaurants provide food service within the institution
Types of Food Service Assessment
1. Which type of restaurant offers very high-quality cuisine often cooked by an expert chef?
   A. Full-service fine dining
   B. Quick-casual restaurant
   C. Cafeteria
   D. Mobile restaurant

2. According to the segment, which of the following is an example of a quick-casual restaurant?
   A. Red Lobster®
   B. Taco Bell®
   C. Genghis Grill®
   D. Luby’s®
3. Which type of restaurant is self-serve and typically “all you can eat” for one price?
   A. Quick-service
   B. Quick-casual
   C. Cafeteria
   D. Buffet

4. Mobile restaurants are also known as which of the following?
   A. Fast-food restaurants
   B. Food trucks or carts
   C. Classic American diners
   D. To-go food service
5. Alicia does not want to make herself dinner tonight, but she wants to eat at home, so she went to the grocery store to purchase a prepared meal. Alicia is patronizing which type of food service?
   A. Fast-food restaurant
   B. Catering
   C. Prepared food retail
   D. Vending
Food Service Ownership
Food Service Ownership

• Includes:
  – corporate groups
  – chains
  – franchises
  – independents
Corporate Food Service Groups

• Are groups of food service concepts which are owned by a single firm
  – the company may own the actual operations, or may simply own the right to the name and concept
Corporate Food Service Groups

• Include:
  – Yum!® Brands owns Kentucky Fried Chicken®, Pizza Hut® and Taco Bell®
  – Darden® Restaurants owns Red Lobster®, Olive Garden®, LongHorn Steakhouse® and more
  – Bloomin’® Brands owns Outback Steakhouse®, Carrabba’s®, Fleming’s® and more
Food Service Chains

- Are multiple units of a single food service concept with one owner
  - each restaurant is the same and the ownership is the same
- May be a part of a corporate group
- Include:
  - The Cheesecake Factory®
  - Cracker Barrel®
  - Starbucks®
Food Service Franchises

• Are multiple units of a food service concept individually owned by multiple parties
  – each restaurant is the same, but ownership is not the same
  – the owner of the concept allows others to use its name, products, etc.
    • franchise agreements vary, but usually include strict requirements and guidelines for franchisees
• May also be part of a corporate group
Food Service Franchises

- Are extremely common
- Include:
  - Applebee’s®
  - Buffalo Wild Wings®
  - Cinnabon®
- Denny’s®
- Dippin’ Dots®
- McDonald’s®
Chains & Franchises

• Often overlap
  – sometimes a food service concept owner will own and operate multiple units of the concept before franchising the concept to others
  • for example, one-third of Red Robin® restaurants are franchised and two-thirds are company owned
Chains & Franchises

• Often overlap
  – often a company will be a chain domestically, owning all operations in the United States, but be a franchise internationally, with operations in other countries being owned by franchisees
  • for example, P.F. Chang’s®, Olive Garden® and Outback Steakhouse®
Independent Ownership

• Consists of an individual or group who develops a new concept and opens new a food service operation which was previously nonexistent

• Can eventually develop into a chain or franchise if the owner decides to expand
Food Service Ownership Assessment
Assessment

1. Which of the following accurately describes corporate food service groups?
   A. Multiple units of a single food service concept owned by a single group of people
   B. Groups of food service concepts which are owned by a single firm
   C. Multiple units of a single food service concept owned by multiple parties
   D. Groups people who invest in, but do not own, food service concepts
2. The type of ownership in which each restaurant is the same and the ownership of each restaurant is the same is known as which of the following?
   A. Food service corporation
   B. Food service franchise
   C. Independent food service operation
   D. Food service chain
3. Joe wants to open a restaurant and feels his best chance of being successful would be to purchase the rights to a well-known restaurant concept. This form of restaurant ownership is known as which of the following?
   A. Food service corporation
   B. Food service franchise
   C. Independent food service operation
   D. Food service chain
4. The type of ownership in which each restaurant is the same but the ownership of each restaurant is not the same is known as which of the following?
   A. Food service corporation
   B. Food service franchise
   C. Independent food service operation
   D. Food service chain
5. Joe realizes it will cost him too much to buy rights to a well-known restaurant concept so he decides to develop a new concept which was previously nonexistent. Which of the following describes this type of ownership?
   A. Food service corporation
   B. Food service franchise
   C. Independent food service operation
   D. Food service chain
Food Service Management
Food Service Management

• Is a career valuing professionalism, which requires:
  – communication
  – leadership
  – cooperation
  – patience
  – honesty
  – organization
  – accountability
  – attention to detail
  – flexibility
  – financial responsibility
  – energy
  – ability to multi-task
Food Service Management

• Includes managers for the following areas of food service:
  – general management
  – front of house
    • dining room manager
    • bar manager
  – back of house
    • kitchen manager
• May share or split responsibilities
General Managers

- Have responsibilities including:
  - managing employees
    - hiring and firing
    - training and supervising
    - making schedules
  - maintaining the business and its property
    - ensuring safe working conditions
    - planning the menu
    - ordering supplies
  - controlling the quality of food and service
    - developing and enforcing standards and policies
General Managers

• Have responsibilities including:
  – promoting the business
    • making marketing decisions
    • networking for the business
  – ensuring the business is profitable
    • managing prices, salaries and operating costs
    • recording and analyzing finances
  – seeing the entire operation runs smoothly
    • maintaining relationships with customers and staff
    • making important business decisions
Front of House

- Is the term used to describe the part of the operation which directly serves customers
- Includes:
  - dining room and bar managers
  - hosts and hostesses
  - serving staff
  - bar staff
  - cashiers
  - busers
Dining Room Managers

• Oversee the following:
  – hosts and hostesses
    • take reservations, welcome customers, seat customers, answer customer questions
  – servers
    • take orders, serve food and beverages, attend to customers’ needs during the meal, present the bill
  – busers
    • clear and clean tables after customers have left
  – cashiers
    • receive customers’ payment
Bar Managers

• Oversee the following:
  – bartenders
    • mix alcoholic drinks, serve alcohol responsibly and lawfully
  – bar backs
    • wash glasses, stock bar stations, assist bartenders
  – cocktail servers
    • run cocktails from the bar to customers’ tables
Back of House

- Is the term used to describe the part of the operation which works out of the sight of the public
- Includes:
  - kitchen managers
  - chefs
  - line cooks
  - dishwashers
Kitchen Managers

• Oversee the following:
  – chefs
    • create recipes, prepare meals, ensure food safety
    • executive chefs are highest in rank and sometimes fill the role of kitchen manager
    • sous chefs are second highest in rank
  – line cooks
    • work at specific stations to participate in the preparation of meals
  – dishwashers
    • maintain clean, sanitary stock of dishes and utensils
Food Service Management

• Varies greatly from operation to operation
  – many operations have more or less managers than described
    • the key is having the correct number of people to get the work done efficiently and effectively
Food Service Management Assessment
1. Which of the following is NOT a responsibility of general managers?
   A. Controlling the quality of food and service
   B. Promoting the business
   C. Helping employees develop meaningful careers
   D. Ensuring the business is profitable

2. Which of the following is the term used to describe the part of the food service operation which directly serves customers?
   A. People-oriented house
   B. Over the house
   C. Back of house
   D. Front of house
Assessment

3. Busers have which of the following responsibilities?
   A. Taking reservations
   B. Receiving customers’ payment
   C. Clearing and cleaning tables
   D. Taking orders and serving food

4. Which of the following do dining room managers NOT oversee?
   A. Dishwashers
   B. Busers
   C. Servers
   D. Hosts
5. The highest ranking chef is known as which of the following?
   A. Sous chef
   B. Line chef
   C. Managing chef
   D. Executive chef
Structure of the Food Service Industry
Final Assessment
Final Assessment

1. The hospitality industry is considered a segment of which of the following?
   A. The business management industry
   B. The consumer services industry
   C. The travel and tourism industry
   D. The distribution industry

2. Which of the following is an example of institutional food service?
   A. A restaurant in a suburb
   B. A cafeteria in a hospital
   C. A coffee shop on the beach
   D. A food truck traveling around a downtown area
3. When and where did Boulanger open a café he called a restorante?
   A. 1492 in Seville, Spain
   B. 1634 in Boston, Massachusetts
   C. 1650 in Oxford, England
   D. 1765 in Paris, France
4. Which of the following is true of the development of the classic American diner?
   A. They were developed between 1750 and 1780 to encourage Europeans to visit the United States
   B. They were developed in the 1800s to feed factory workers
   C. They were opened in the front of grocery stores for people who did not want to cook for themselves
   D. They were opened by feminists to promote women’s suffrage
5. According to the presentation, Red Lobster® is which type of restaurant?
   A. Full-service causal dining
   B. Full-service fine dining
   C. Cafeteria
   D. Quick-casual

6. Large-scale food service for events such as weddings and corporate dinners is known as which of the following?
   A. Mobile restaurants
   B. Prepared food retail
   C. Catering
   D. Fine dining to go
7. Darden® Restaurants owns restaurant concepts including Olive Garden®, Red Lobster® and LongHorn Steakhouse®. Darden® Restaurants is an example of which of the following?
   A. Restaurant chain
   B. Restaurant franchise
   C. Independent food service operation
   D. Corporate food service group
8. How might a restaurant be considered a chain and a franchise?
   A. If the operations in the U.S. are all company-owned, but operations in other countries are owned by franchisees
   B. If there are multiple restaurants using separate concepts owned by one firm
   C. If the owner sells all operations to multiple franchisees
   D. If the owner of a franchise opens multiple operations of the same restaurant
9. Kitchen managers, chefs, cooks and dishwashers are employees considered to be which of the following?
   A. Management
   B. Front of house employees
   C. Entry-level employees
   D. Back of house employees

10. Which of the following positions sometimes fills the role of kitchen manager?
    A. Hostess
    B. Executive chef
    C. Bartender
    D. Sous chef
Resources

Foundation of Restaurant Management & Culinary Arts.

Restaurant-ing through history: The Decades.
http://restaurant-ingthroughhistory.com/tastes-of-the-decades/

National Restaurant Association.
http://www.restaurant.org

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