

ROLL No.....

NATIONAL COUNCIL FOR HOTEL MANAGEMENT
AND CATERING TECHNOLOGY, NOIDA
ACADEMIC YEAR 2013-2014

COURSE : 2nd Semester of M.Sc. in HA
SUBJECT : Revenue / Yield Management
TIME ALLOWED : 03 Hours MAX. MARKS: 100

(Marks allotted to each question are given in brackets)

- Q.1. What is yield management? How will you apply the concept of yield management to maximize room revenue in the hotel industry? (10)
- Q.2. Discuss the potential high and low demand tactics of yield management that may be appropriate to apply by a Front Office Manager. (10)
- Q.3. What is forecasting? Discuss the importance of forecasting room availability in hotels. What type of information can be helpful in room availability forecasting? (10)
- Q.4. Discuss the key elements of Revenue Management that must be included in the development of a successful yield strategy. (10)
- Q.5. Explain how revenue management software works. What are the reports generated by revenue management software? (10)
- Q.6. Discuss the composition and role of revenue management team of a 5-star hotel. (10)
- Q.7. Briefly explain **any two** of the following:
(a) RevPar
(b) Yield statistics
(c) Identical yields (2x5=10)

Q.8. Comment on the following (**any two**):

- (a) Benefits of revenue management
- (b) Areas where concept of revenue management is applied
- (c) Forecast formula

(2x5=10)

Q.9. Hotel Taj has 300 guest rooms and collects an average of ₹2000/- per room and is currently operating at a 70% average occupancy. The hotel offers 100 one-bedded and 200 two-bedded guestrooms. The management has established single and double rates for each room type as follows:

- a. One-bedded room tariff is ₹3000/- when sold for single occupancy.
- b. One-bedded room tariff is ₹4000/- when sold for double occupancy.
- c. Two-bedded room tariff is ₹3500/- when sold on single occupancy.
- d. Two-bedded room tariff is ₹4500/- when sold on double occupancy.

For Hotel Taj, compute the following:

- (i) Potential Average Single Rate
- (ii) Potential Average Double Rate
- (iii) Rate Spread
- (iv) Multiple Occupancy %
(suppose 105 rooms out of the occupied rooms are on multiple occupancy)
- (v) Potential Average Rate

(5x2=10)

Q.10. Given the following information, calculate the key performance indicators for all the hotels and the market share and fair share of all hotels.

Hotel	Occupancy	ARR	Rooms sold	Room revenue	Rooms available	RevPar
A	85%	4150	-	-	301	-
B	-	4999	121	-	245	-
C	-	-	144	580100	-	1900
D	93%	3950	-	-	234	-

(10)
