HTT A140: REVENUE MANAGEMENT

Item	Value
Curriculum Committee Approval Date	03/13/2019
Top Code	130720 - Lodging Management
Units	3 Total Units
Hours	54 Total Hours (Lecture Hours 54)
Total Outside of Class Hours	0
Course Credit Status	Credit: Degree Applicable (D)
Material Fee	No
Basic Skills	Not Basic Skills (N)
Repeatable	No
Grading Policy	Standard Letter (S)

Course Description

This course provides a model for understanding the revenue management process and reveals four basic building blocks to revenue management success. It addresses elements of a risk management program including, developing forecasts for room revenue and occupancy, evaluating revenue opportunities, and tracking future room availabilities to achieve maximum revenue from the sale of perishable assets. ADVISORY: HTT A110. Transfer Credit: CSU.

Course Level Student Learning Outcome(s)

1. Demonstrate proficient application of revenue management including room revenue and occupancy forecasts, evaluating revenue opportunities, and tracking future room availabilities based on reservations.

Course Objectives

- 1. Focus on price rather than costs when balancing supply and demand.
- 2. Replace cost-based pricing with market-based pricing.
- 3. Wholesale to segment micro-markets, not to mass markets.
- 4. Save products for most valuable customers.
- 5. Make decisions based on knowledge, not supposition.
- 6. Exploit each products value cycle.
- 7. Identify the economic culture.
- 8. Responds to communications from guests, travel agents, and referral networks concerning reservations.
- 9. Increase revenue by maximizing occupancy and protecting rates when necessary.
- 10. Augment net revenue increase of between 4-7% from year one with very little outlay.
- 11. Create accurate statistical reports future, current and historical.
- 12. Detail demand forecasting information to help with sales and marketing initiatives.
- 13. Locate competitor analysis on both the internet and GDS to help react to market influences.
- 14. Identify group analysis to evaluate the impact group reservations have on occupancy.
- 15. Analyze the impact a tour series contract will have on the property.

- 16. Gain access to reports and real time information on a group wide basis for Head Office personnel.
- 17. Define the concept of revenue management.
- 18. Explain what is meant by a customer-centric approach.
- 19. Explore the price/value relationship and its impact upon consumer purchasing behavior.
- 20. Introduce the concepts of bundling, dynamic packaging, and branding.
- 21. Define total customer value.
- 22. Identify marketing intelligence resources available.
- 23. Explain the concept of market segmentation.
- 24. Introduce the concept of environmental scanning.
- 25. The SWOT Analysis.
- 26. Developing Strategies Based Upon the SWOT Analysis.
- 27. Revenue Management Professional Profile.
- 28. Illustrate the dynamics of supply and demand and explain how the market reaches equilibrium.
- 29. Investigate the impact of price elasticity on consumer spending and revenue.
- 30. Examine the components that make up the global distribution system (GDS) and the Internet distribution system (IDS).
- 31. Introduce the secret pricing formula.
- 32. Present the hospitality inventory warehouse as a visual image for understanding channel and inventory management.
- 33. Explain the four building blocks supporting the strategic management process.
- 34. Apply the 5 Ws and an H analysis to each of the eight steps in the RevMAP.
- 35. Review pricing laws in place to protect consumers.

Lecture Content

Revenue Management overview and application Economic culture Revenue opportunities Dynamic Pricing overview and application Customer behavior and market response models Economics of RM Estimation and forecasting overview and application Implementation Inventory control Forecasting overview and application Pricing and other disciplines Customers Knowledge and Consumer Behavior Market Segmentation and Selection Internal Assessment and Competitive Analysis Economic Principles and Demand Forecasting Reservations and Channels of Distribution Dynamic Value-Based Pricing Channel and Inventory Management The Revenue Management Team Strategic Management and Following the RevMAP Tools, Tactics, and Resources Legal and Ethical Issues and Potential Bumps in the Road Applications in Lodging and Food and Beverage Applications in Sports, Entertainment, and Event Management Applications in Cruise, Spa, and Luxury RV Resorts Applications in Golf, Gaming, and Theme Parks

Method(s) of Instruction

- Lecture (02)
- DE Online Lecture (02X)

Instructional Techniques

Lecture, handouts, case studies, group participation, video demonstration and discussion, student projects, computer modules, field trips, and skill simulations.

Reading Assignments

A. Read assigned chapters and modules prior to class.B. Read posted hospitality articles in Blackboard.C. Read posted discussion topic, research and participate in argument.D. Research journal topics.

Writing Assignments

Quizzes and examinations. Problem solving exercises will include written comprehensive responses. Cognitive responses to classroom lecture and demonstration will be required. Proficiency demonstration of applied skills demonstrating evaluation and critique techniques.

Out-of-class Assignments

Problem solving exercises will include written comprehensive responses. Proficiency demonstrations of applied skills demonstrating evaluation and critique techniques. Journal of observations and experiences. Present a professional portfolio journaling learning outcomes. Cognitive responses to classroom lecture and demonstration will be required. Weekly problem solving exercises will include written and oral comprehensive responses.

Demonstration of Critical Thinking

The student must complete course appropriate projects, basic quizzes and a comprehensive final examination developed by the Educational Institute of the American Hotel Lodging Association. Demonstrate various approaches to problem solving and critical thinking as they develop professional standards.   Exhibit skills acquired and applied to random security and loss prevention situations. Attendance and participation are fundamentals of this course.

Required Writing, Problem Solving, Skills Demonstration

Quizzes and examinations.   Problem solving exercises will include written comprehensive responses. Cognitive responses to classroom lecture and demonstration will be required. Proficiency demonstration of applied skills demonstrating evaluation and critique techniques.

Eligible Disciplines

Hotel and motel services: Any bachelors degree and two years of professional experience, or any associate degree and six years of professional experience. Travel services (dispatching): Any bachelors degree and two years of professional experience, or any associate degree and six years of professional experience.

Textbooks Resources

1. Required Educational Institute of the American Hotel Lodging Association. Revenue Management, Expanded Training Series, ed. -, 2002 Rationale: - 2. Required American Hotel Lodging Association. Revenue Management, Videocassette, ed. American Hotel Lodging Association, 2002 Rationale: - 3. Required Tranter, K. Introduction to Revenue Management for the Hospitality Industry, 2013 ed. New York: Prentice Hall, Inc, 2013