



## Module Structure

**Module Title:** Revenue and Yield Management

**Module Code:** HTPM322

**Programme of Study/Year of Study:** Hospitality & Tourism Management/Year 3

**Group:** HTMIIII RD **Semester:** Fall

**Number of Hours Taught:** 3 per week **ECTS:** 5

**Instructor:** Margaritis Antoniadou

**Office Hours:** Wednesday: 15:00 - 18:00

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**Pre-requisite(s) :** Front Office Operations I & II; Accounting and Budget Management

### Module Rationale

This course is vital to Hospitality and Tourism students, since it emphasises the importance of running a smooth profitable hotel operation. It provides students with an insight into the management of the Rooms Division area of the hotel operations, including the explanation of the best practices, techniques and strategies currently used in the hospitality industry by front office, rooms division and revenue managers.

### Aims

The main aim of this course is to introduce students to the history, structure and skills of Revenue & Yield Management, as it pertains to the hospitality industry. Students will learn to use various tools which will assist them in predicting customer demand at the micro market level, and the maximisation of revenue through pricing optimisation. They will also be required to interpret and utilise financial data to make yield and revenue decisions.

### Intended Learning Outcomes

On successful completion of this module, students will be able to:

1. understand and define Revenue and Yield Management,
2. understand the purpose of Revenue management,
3. understand the concept of price from the perspective of a seller and a buyer,
4. realise the importance of Price in the 4 P's of the Marketing Mix,
5. discuss the role of Supply and Demand in Pricing,
6. understand the role of value in Pricing,
7. identify the relationship between quality and price and service and price,
8. discuss the rationale for the use of data analysis and personal insight when implementing strategic pricing,



9. discuss and understand the 10 principles of managing revenue,
10. discuss differential pricing, its limits and its application,
11. explain the hard and soft supply constraints faced by RMs in the hospitality industry,
12. discuss legal and ethical aspects of revenue management,
13. present the typical job responsibilities and reporting relationships of RMs,
14. understand why the collection and analysis of data about customer demand for lodging products and services is essential when forecasting future sales,
15. identify the tools RMs use to track historical, current and future demand for their rooms inventory,
16. understand how demand forecasts affect decisions on hotel room and services pricing,
17. discuss how RMs optimise revenue when applying inventory management strategies,
18. identify pros and cons of overbooking as an inventory management strategy,
19. discuss how RMs optimise revenue when applying price management principles,
20. explain how distribution channels affect revenue optimisation,
21. discuss how RMs manage distribution channels (electronic and non-electronic),
22. know how to read and analyse reports,
23. examine RM-related performance measures and their uses.

#### Delivery Methods:

Lectures, discussion, projects, coursework, and case studies

#### Assessment:

Project	15%
Mid-Term Exam	15%
Case studies	20%
Final Examination	30%
Coursework & Tests	20%

#### Module Requirements

Refer to the students' manual for the module requirements.

#### Module Plan and Content

Week	Dates	Topics to be Covered	Reference Chapter / Material
1.	3/10– 7/10	<ul style="list-style-type: none"> <li>• Introduction to Revenue &amp; Yield Management</li> <li>• The purpose of Revenue &amp; Yield Management</li> </ul>	Chapter 1
2.	10/10-14/10	<ul style="list-style-type: none"> <li>• What is price?</li> <li>• The importance of Price in the 4 P's of the Marketing Mix</li> </ul>	Chapter 2
3.	17/10-21/10	<ul style="list-style-type: none"> <li>• The role of Supply and Demand in Pricing</li> <li>• The role of Costs in pricing</li> </ul>	Chapter 2

Week	Dates	Topics to be Covered	Reference Chapter / Material
4.	24/10-28/10	<ul style="list-style-type: none"> <li>The role of value in Pricing</li> <li>The relationship between quality and price and service and price</li> <li>The art and science of strategic pricing</li> </ul> <p><b><u>28/10/2016: National Holiday</u></b></p>	Chapter 3
5.	31/10-04/11	<ul style="list-style-type: none"> <li>Ten principles of Managing Revenue</li> <li>Differential pricing, its limits and its application</li> <li>Revenue management or revenue optimisation?</li> </ul>	Chapter 4
6.	07/11-11/11	<ul style="list-style-type: none"> <li>The revenue manager in the Hospitality Industry</li> <li>Legal and ethical aspects of revenue management</li> <li>The typical job responsibilities and reporting relationships of RMs</li> </ul>	Chapter 5
7.	14/11-18/11	<ul style="list-style-type: none"> <li>The importance of demand forecasting</li> <li>The tools RMs use to track historical, current and future demand for their rooms inventory</li> </ul> <p><b><u>Mid Term Exam: 18/11/2016</u></b></p>	Chapter 6
8.	21/11-25/11	<ul style="list-style-type: none"> <li>The marketing mix revisited</li> <li>Inventory management</li> </ul>	Chapter 7
9.	28/11-02/12	<ul style="list-style-type: none"> <li>Characterising rooms for optimum inventory management</li> <li>Designing unique room codes</li> </ul>	Chapter 7
10.	05/12-09/12	<ul style="list-style-type: none"> <li>Classifying guests by market segment</li> <li>Overbooking as an inventory management strategy</li> <li>Price management</li> </ul>	Chapter 7
11.	12/12-16/12	<ul style="list-style-type: none"> <li>Principles of inventory and price management</li> <li>Managing distribution channels (electronic and non-electronic)</li> </ul>	Chapter 8
12.	19/12-22/12	<ul style="list-style-type: none"> <li>Principles of distribution channel management</li> <li>Read and analyse STAR and other similar reports</li> <li>RM-related performance measures and their uses</li> </ul>	Chapter 9
<b>23/12/15 – 06/01/16</b>		<b>CHRISTMAS HOLIDAYS</b>	
13.	09/01-10/01	<ul style="list-style-type: none"> <li>Revision for final exam</li> </ul>	

Week	Dates	Topics to be Covered	Reference Chapter / Material
	2017		
	11/01-25/01 2017	<b>Semester final EXAMS</b>	

### Essential Reading

Handouts will be provided to the students with relevant references for additional reading

### Additional Reading

- Hayes K. David & Miller A. Allisha, (2011). Revenue Management for the Hospitality Industry, WILEY
- Tranter A. K., Stuart-Hill T., Parker J. (2009). An Introduction to Revenue Management for the Hospitality Industry, PEARSON PRENTICE HALL
- Bardi J. (2011). Hotel Front Office Management, (5th Ed.), WILEY



