

**Màster en Administració i Direcció
d'Allotjaments Turístics**

**Revenue Management in the Hospitality
Industry**

Subject	Revenue Management in the hospitality industry		
Program	Màster en Administració i Direcció d'Allotjaments Turístics - Master of Business Administration in Hospitality Management		
Teachers	Jordi Mias		
Type	Compulsory	Academic year:	2018-2019
Credits	5 ECTS	Language:	English (100%)
Class hours	40 hours	Academic session:	05/02-26/02/2020
Autonomous work	85 hours		

Subject description

The Revenue Manager is the person in charge of planning, deciding and controlling the sales process to maximize revenue through price determination and inventory control. The Revenue Manager profile is that of an analytical person able to manage demand behavior, based on the analysis of various indicators, and through the application of diverse techniques for pricing and fixing product/service terms and conditions. The main goal for this subject is to convey the skills, knowledge and tools required to manage income in Hospitality Industry.

Learning achievements

- To master the concept of Revenue Management.
- To analyze tourist accommodation demand behavior for various markets.
- To set which are the main competitors in the lodging establishments and to position the product for the decision making.
- To forecast annual demand and define the accommodation rates calendar.
- To define different rates for products and services or packages.
- To optimize daily rate, according to general budget and real demand.
- To control inventory at lodging establishments and availability in sales channels, obtaining the maximum possible profit out of their distribution.
- To use the main indicators and to implement Revenue Management best practices and techniques.
- To know the principal support tools for Revenue Management.

Specific skills

CE01: To decide, promote and apply tourism Planning and management tools and techniques.

CE02: To apply, in a reflective and critical way, methodologies of transdisciplinary and multidisciplinary research into the tourism reality.

CE04: To integrate the different sensitivities and languages of tourism to build an own discourse and share it in academic and/or professional environments.

CE05: To detect and manage tourism destinations and products complexity.

CE06: To identify new trends in tourism to creatively promote new scenarios.

CE07: To analyze contexts and identify their opportunities, potentialities, their weak points and possible threats when projecting any initiative.

CE08: To design, develop and promote projects showing the multidimensional nature of tourism.

Transversal skills

CT01: To communicate orally and in writing about tourism issues in an original and creative way, adapting to audience or recipients (expert and non-expert hearings) and using resources making oral productions more effective.

CT02: To communicate in English, in different formats and contexts (work environments, presentations, conferences, forums, seminars, congresses...), with the whole academic community and society, on tourism-related issues.

CT04: To interpret and evaluate the obtained results, both those delivered from the professional activity and those extracted from an investigation, with critical spirit and intellectual rigor.

CT06: To recognize and evaluate the innovation of information and communication technologies, adapting them to the work environment or at the service of research objectives.

CT08: To develop an innovative, prospective and proactive vision.

Contents

- Revenue Management: Introduction and objectives.
 - Applications to the hospitality sector.
 - Main indicators.
- Market analysis and competitive-set identification.
- Market segmentation and positioning.
- Forecasting:
 - Concept and implementation.
 - Demand forecasting techniques.
 - Hot & Warm Calendar formulation.
- Pricing:
 - Annual rates definition.
 - Supplements and reductions by type of room, type of occupation, regime and reservation conditions.
 - Demand control and price management.
- Commercialization – Distribution:
 - Packages creation and incentives to direct selling.
 - Inventory control – The channel manager.
 - Distribution channels management: B2B and B2C.
 - Price discrimination and parity.
- Revenue Management techniques:
 - Up Selling.
 - Cross Selling.
 - Overbooking.
- Revenue management support tools.

Learning methodology

Attendance-based:

- Exhibition of thematic contents.
- Case studies resolution, individually or in groups.
- Final evaluation test and cases oral presentations.
- Individual and/or group tutorials.

Autonomous work:

- Case studies resolution.

Evaluation criteria

The evaluation process is understood as the final evaluation done based on the knowledge acquired throughout the teaching sessions. The result will be a numerical note between 0-10.

- The module's note will be "Not presented" in case the student doesn't fulfill the minimum required attendance without justification.

Continuous evaluation:

- Minimum attendance: 80%
- All case studies proposed must be delivered within the established time frame and must be exceeded with a minimum grade of 4/10.
- Regardless of the work volume of each case study, the final subject mark will be determined by the average grade obtained, provided that the final synthesis test is passed.
- A final synthesis test can be performed to verify the contents level of understanding. This test should be compulsorily surpassed with a minimum of 5.
 - In case of being passed it will not condition the subject final grade.
 - In case of being suspended, the test mark will become the final grade of the subject.

Continuous evaluation system	% Final grade
<i>Case studies and practices</i>	100% (average of all deliveries)
<i>Synthesis test</i>	Condition: Passed (>5)

Teaching chronology

	Content	Hours of master	Practice hours
1.	Revenue Management: Introduction and objectives.	2	2
2.	Market analysis and competitive-set identification.	2	2
3.	Market segmentation and positioning	2	2
4.	Forecasting.	2	2
5.	Pricing.	4	4
6.	Commercialization – Distribution.	4	4

- 7. Revenue Management techniques.
- 8. Revenue management suport tools

	2	2
	2	2
TOTAL	40	

References

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- Chávez, M. E., & Ruiz, A. (2005). Yield Management: Estudio de su aplicación en el sector hotelero. Universidad de Sevilla.
- Espinet, J. M. (2002). Anàlisi dels preus al sector hotelier de la Costa Brava Sud. Universitat de Girona.
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- Nagle, Thomas T (cop. 1995). The Strategy and tactics of pricing : a guide to profitable decision making (2nd ed). Englewood Cliffs, N.J.: Prentice Hall.
- Phillips, Robert L (2005). Pricing and revenue optimization . California: Stanford University.
- Prats, L., & Guia, J. (2012). Gestión de precios en un sistema de Revenue Management hotelero en línea. *PASOS. Revista de Turismo Y Patrimonio Cultural.*, 10(5), 511–520
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