

# Teaching guide

## IDENTIFICATION DETAILS

Degree:	Gastronomy
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Field of Knowledge:	Science
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Faculty/School:	Law, Business and Governance
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Course:	REVENUE MANAGEMENT
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Type:	Optional
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ECTS credits:	6
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Year:	4
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Code:	1491
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Teaching period:	Eighth semester
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Area:	Hotel and restaurant administration
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Module:	Discipline
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Teaching type:	Classroom-based
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Language:	English
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Total number of student study hours:	150
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Teaching staff	E-mail
María del Carmen Domínguez Pérez	carmen.dominguez@ufv.es

## SUBJECT DESCRIPTION

This subject focuses on the importance of the correct analysis and use of different tools and indicators, in order to optimize income and economic results, in the different and changing scenarios, that the hotel industry is facing today.

Hospitality industry professionals need to rely on quantitative information to make decisions, as they are immersed in a global, competitive and technologically changing environment. Understanding the market and competition, and learning how to use the different tools is critical to develop, implement and evaluate a price strategy. The implementation of successful strategies, allows the companies to optimize economic results so that they can

contribute to the development and well being of touristic destinations, as well as provide job opportunities to its citizens and preserve the environment.

Revenue management tools and technics help predict consumer demand and optimize inventory and price availability to maximize revenue growth by being proactive rather than reactive. This subject will help students understand how to use the knowledge of consumer behaviour, and the marketing tools, that they have acquired in previous semesters, and how every decision made, affect the profit and losses account that they have learnt in cost accounting. Economic viability is key to the development of the tourist destination and the improvement of the lives of citizens in the different destinations, mainly those developing countries

This subject aims to provide the student with the necessary knowledge to make the best decisions in order to improve the profitability, by the analysis of information, to diagnose the situation and evolution of the market trends, the environment, the global economic situation, the competition, etc. It also aims to help them understand that an industry, as highly labor intensive as hospitality, carries with it the responsibility over the means of subsistence of the workers, especially in an economic downturn.

## GOAL

Students will learn how to understand and develop Revenue Management basic strategies, related to forecasting, benchmarking, segmentation, pricing, inventory management and sales. They will also become familiar with the most important concepts, tools and indicators in this field of study

The specific aims of the subject are:

To understand how revenue management affects the profit and loss account and how to measure the performance of a business unit.

To learn how to make accurate use of the information, to classify your market and adjust your products through distribution, selling the right room to the right client, at the right moment, at the right price on the right distribution channel and with the best commission efficiency.

To understand how ethics is directly related to Revenue Management: ethics in Leadership, employee Ethics, and the benefits of business ethics

To become familiar with the management tools and indicators that will allow the student to obtain the information needed to manage the pricing decisions, the distribution channels, and the inventory.

To understand the importance of the survival of companies in times of economic downturn and the safeguarding jobs

To understand how the use of different distribution channels allows us to access different market segments which offer different profitability.

To learn how to choose the right distribution channel, depending on the product, the market situation, the season, the business environment, the competitors and the objectives of the company.

To provide the student with the knowledge to manage prices and capacity correctly in order to maximize organization's benefit, as well as to maximize the client's value.

## PRIOR KNOWLEDGE

Good command of the English language.

Good command of previous subjects is needed in order to be able to contextualize this course's contents within an overall understanding of the decision making processes related to revenue management.

## COURSE SYLLABUS

- 1.- Introduction to Revenue and Yield Management. History and origins.
- 2.- Key Performance Indicators in the hospitality industry. USALI.
- 3.- Customer knowledge and consumer behavior. How to define the hotel product and value proposition.
- 4.- Market Segmentation.
- 5.- Distribution Channels Management. The fundamentals of hotel distribution.
- 6.- On line Marketing
- 7.- Forecasting and Benchmarking.
- 8.- Pricing and Inventory Management. Demand Management.
- 9.- Revenue Management tools, tactics, and resources. Business Intelligence.
- 10.- Up-selling and Cross-selling.
- 11.- Ethics in business

## EDUCATION ACTIVITIES

Lectures devoted to the subject's key concepts, followed by a critical discussion with the students.

Collaborative work: students will be provided with readings, and in small groups, they will discuss the information and data provided and propose strategies.

Problem-based learning. Resolution of exercises, which will require compilation and analysis of the information and data.

Group presentations. A group of students will work on a concept that they will have to explain and clarify to their classmate.

Flipped classroom. Students will learn content online by watching video lectures, mostly at home, and they, along with the professor, will discuss and solve questions, explore topics in greater depth and create meaningful learning opportunities

The educational activities, as well as the distribution of working hours, could be modified and adapted according to the different scenarios established and following the indications given by the health authorities

## DISTRIBUTION OF WORK TIME

CLASSROOM-BASED ACTIVITY	INDEPENDENT STUDY/OUT-OF-CLASSROOM ACTIVITY
60 hours	90 hours
Class lectures 35h Problem-based learning. 16h Collaborative work and public presentation 5h Exams and tests 4h	Lectures and study 45h Personal research 25h On/off line team work 10h Flipped classroom 10h

## SKILLS

### Basic Skills

Students must have demonstrated knowledge and understanding in an area of study that is founded on general secondary education. Moreover, the area of study is typically at a level that includes certain aspects implying knowledge at the forefront of its field of study, albeit supported by advanced textbooks

Students must be able to apply their knowledge to their work or vocation in a professional manner and possess skills that can typically be demonstrated by coming up with and sustaining arguments and solving problems within their field of study

Students must have the ability to gather and interpret relevant data (usually within their field of study) in order to make judgments that include reflections on pertinent social, scientific or ethical issues

Students must be able to convey information, ideas, problems and solutions to both an expert and non-expert audience

Students must have developed the learning skills needed to undertake further study with a high degree of independence

### General Skills

To adopt a personal and institutional ethical commitment in the workplace.

To develop professional skills such as humility in the workplace, consistency in practice, tidiness and discipline, objective self-criticism and the spirit of achievement.

To recognise the importance of the social and environment elements of one's professional and business activity and of the need for a professional code of ethics.

To be able to apply the theory and knowledge acquired to real situations and practical actions.

To adopt an attitude of intellectual eagerness, scientific interest and the search for knowledge and truth in all professional and personal undertakings.

### Specific skills

To understand and know how to keep up to date on the current situation in the field of gastronomy: the needs, the market and the applications of the gastronomy, hotel and culinary arts sector.

To be able to interpret the financial statements of the company and to assess and manage costs as decision-making tools.

To always consider the customer as the *raison d'être* of the company.

An ability to organise the commercial and promotional activities of the company, seeking quality as a customer's right and as a competitive advantage of marketing.

To develop inter-personal and group communication skills and understand the process of their application in the company and among its workforce, in general and functional management, departments and projects in the sector.

To be familiar with and know how to inter-relate all functional areas of the company.

## LEARNING RESULTS

Through lectures and individual study of additional bibliography, the student is able to understand the fundamental theoretical concepts in the field of hotel revenue management system, indicators, analysis, forecasting, segmentation and ethical issues

Through the practical use, of the knowledge obtained in lectures, the student understands that the economic results of the company depend on many interacting factor.

Because of the collaborative work need to combine individual contribution, the student learns that working collaboratively, helps and increases the impact of the individual contribution

With lectures and sharing conclusions reached through teamwork, students will be able to establish revenue manager and pricing strategies to allocate the right capacity to the right customer at the right price at the right time.

Through lectures, readings and research, the student will become familiar with the tools and software that helps analysing the information and making the best decisions, short and long term.

With the support of tutorships, the student progresses with own will and effort through commitment on intellectual and practical work.

## LEARNING APPRAISAL SYSTEM

A continuous evaluation system will be applied, where every item will be previously announced to the class. In order to pass the course through this continuous process, the student must attend and regularly participate in every activity demanded.

Student of first enrollment.

To have the benefit of a continuous evaluation system the requirement is to have a minimum assistance rate for every class and activities held during the course. (80% assistance). In these cases, the evaluation scheme is as follows:

- Tests, partial and final exams: 60%
- Individual homework (virtual area, in-class presentations): 20%
- Team and collaborative work 10%
- Participation and implication 10%

To succeed and pass the subject the student will need to get at least a mark of 5 for the individual written exam and a mark of 5 for the activities within the continuous evaluation

Academic exemption or dispensation

The students that for a justified reason (health problems or any other relevant matter and always with the agreement and the approval of the academic director) cannot attend the programmed scheduled lessons will be marked as follows

- Tests, partial and final exams: 70%
- Individual final project 30%

The students of second or subsequent enrollments will have the two options mentioned before; it is mandatory to communicate the professor at the beginning of the semester

To succeed and pass the subject the student will need to get more than a 5 in the written exam and the final individual project.

Extraordinary examinations

In this case, the assessment criteria applied will be

- Final examination: 100%

It will not be an essential requirement to pass the continuous evaluation to pass the the subject for the extraordinary examination. If the student has got a mark of 5 or higher fir the continuous evaluation, this will average with the extraordinary exam mark.

The evaluation system has been designed so that the student has to work regularly and constantly during the entire semester. This implies that, steady work will be taken into account in order to successfully pass the extraordinary examination. The exam and other activities will have to meet the requirements and quality that allows us to confirm that the student has acquired knowledges and skills comparable to those acquired by the students who have successfully worked throughout the semester.

Plagiarism, as well as the use of illegitimate means in the evaluation tests, will be sanctioned according to what is established in the University's Evaluation Regulations and Coexistence Regulations.

The final examination will be an exam held on site, unless otherwise recommended by the public health authorities.

In the event of a health emergency, that forces us to resume online lessons, the evaluation percentages will remain as mentioned in the previous scheme, for the different scenarios.

## BIBLIOGRAPHY AND OTHER RESOURCES

### Basic

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RUSSELL WALKER. (2015) From big Data to big Profits. Oxfears University press

HAYES, D. and MILLER, A. (2011). Revenue Management for the Hospitality Industry. Hoboken: Hoboken: John Wiley & Sons.

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### Additional

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IVANOV, S. (2014). Hotel revenue management. From theory to practice. Ed.Zangador Ltd. Bulgary.

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