



V. M. SALGAOCAR INSTITUTE
of
INTERNATIONAL HOSPITALITY EDUCATION

B. Sc. International Hospitality Management

Type: Semester End Assessment

Date: 10/04/2025

Batch & Term: 2022-2025 & 9

Total Marks: 25

Time Duration: 02 Hours

Course Name: Revenue Management

Course Code: IHOH119

Faculty: Prof. Irfan Mirza

Mr. Frazer Rodrigues

This paper contains 01 page in addition to the cover page.

Full Name of the Student: _____

Permanent Registration Number: _____ Class: _____

Marks Obtained: _____ Faculty Signature: _____ Invigilator Signature: _____

Main Answer sheet	Number of Supplements	Total number of Answer sheets
01		

- Carefully read each question at the outset of the paper. All queries must be addressed to the faculty within the first 10 minutes of the examination.
- Students are expected to maintain complete silence in the examination hall and should not interact or communicate with their peers.
- Students will carry only their essential stationery like pens, pencils, ruler and simple calculators into the examination hall.
- Bags, eatables, drinks, etc. will not be allowed inside the hall with the exception of a bottle of water.
- Cell phones, electronic data banks, scientific calculators and smart/beeping watches are prohibited in the examination hall.
- Students will answer the examination with only blue/ black ball point pens unless informed differently by faculty. Avoid usage of green or red ink pens on the answer sheet.
- Dictionaries will not be allowed into examination hall unless informed differently by faculty.



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Answer the following questions

Q.1. A new boutique hotel opens near your property, offering similar amenities at a lower price. How would you adjust your pricing strategy without compromising revenue? **(05 Marks)**

Q.2. Components of Revenue management acts as a foundation and guide to formulate better strategies. Explain. **(10 Marks)**

Q.3. What key strategies can a revenue manager implement to adjust to fluctuating demand and maximize revenue? **(05 Marks)**

Q.4. Salo Inn has 400 guest-rooms, has an ADR of \$70 per room, and is currently operating at an 80% average occupancy. The hotel offers 100 one bed and 300 two-bed guestrooms. Management has established single and double rack rates for each room type. Any one bed room sold as a single is priced at \$75; as a double, it sells for \$80. Any two-bed room sold as a single is priced at \$85; as a double, it sells for \$95. **(05 Marks)**

Calculate:

1. Potential average single rate
2. Potential average double rate
3. Multiple occupancy %
4. Rate spread
5. Potential average rate
6. Room rate achievement factor
7. Yield statistic
8. RevPar – For example the 400 room Salo Inn sells 300 rooms for a total of \$21000. What is the hotel's revenue per available room?
9. Identical yields – Salo Inn is currently operating at 80% occupancy with an average rate of \$70, but is considering strategies designed to raise its average rate to \$80.
10. Equivalent occupancy – Salo Inn is currently operating at 80% occupancy with an average rate of \$70, but is considering strategies designed to raise its average rate to \$80. Further assume that the marginal cost (the cost per occupied room) of providing a room is \$11.