

**SOUTHEAST MISSOURI STATE UNIVERSITY
COURSE SYLLABUS**

Department of Human Environmental Studies

Course No. FN 515

Title of Course: Yield / Revenue Management

Revision_____

for Hospitality Industry

New Spring 2004

I. Catalog Description and Credit Hours of Course:

Principles of revenue maximization and factors impacting revenue management decisions such as room sales, food and beverage activity and special events. **Three (3) credit hours.**

II. Prerequisite(s): FN 150, FN 270, FN 304 or Consent of Instructor

III. Purposes or Objectives of the Course:

- A. Explain how hotel room rates are established and identify and define various rate categories
- B. Learn how to calculate a hotel's average rate and RevPAR, forecast revenue and estimate expenses for budgeting and operations.
- C. Analyze the concepts of capacity management, discount allocation and duration control.
- D. Define and explain the use of various revenue management tools such as identical yields, equivalent occupancy, discount grid and required non-room revenue per guest.
- E. Explain how revenue management decisions are affected by various factors.
- F. Critique the various reports used to evaluate performance

IV. Expectations of Students:

Students will show progress in meeting the course objectives by:

- A. Regularly attending class and participating in class discussion and activities.
- B. Achieving satisfactory scores on tests, quizzes and all assignments.
- C. Completing all assignments in a timely and professional manner.

V. Course Content or Outline:

Unit I.	Growth and Development of the Hotel Industry	4 hrs
Unit II.	Establishment of Room Rates and Identification of Special Rate Categories	5 hrs
Unit II	Ratios and Formulas: Forecasting Room Availability	4 hrs
Unit IV.	Principles of Yield & Revenue Management	5 hrs
Unit III.	Models of Yield Management: Hotel Chains vs. Corporate Travel Departments	4 hrs
Unit IV.	Application of Yield Management to the Hotel	5 hrs
Unit V.	Revenue Maximization Tools: Capacity Management, Discount Allocation and Duration Control	5 hrs
Unit VI.	Revenue Management Tactics and Strategies	4 hrs
Unit VII.	Budgeting for Operations: Forecasting and Estimating Expenses	5 hrs
Unit IX.	Ratio and Report evaluation	4 hrs
Total		45 hrs

VI. Textbook(s) and/or Other Required Materials or Equipment:

1. Rushmore, Stephen. Baum, Eric. Hotels and Motels: Valuations and Market Studies. Appraisal Institute, December 2001
2. Ingold, Anthony. Yield Management: Strategies for the Service Industries. Continuum Books, NY (2002)

VII. Basis for Student Evaluation

- A. Assignments and Quizzes: 25%
- B. Participation: 25%
- B. Examinations: 50%