

**San José State University**  
**Department of Hospitality, Recreation and Tourism Management**  
**HRTM 154 Revenue Management (27937, Sec. 1)**  
**Spring 2013**

<b>Instructor:</b>	Dr. Yinghua (Michelle) Huang.
<b>Office Location:</b>	SPX 53.
<b>Telephone:</b>	(408) 924-3292.
<b>Email:</b>	yinghua.huang@sjsu.edu.
<b>Office Hours:</b>	Tuesday and Thursday, 10:30 am to 1:00 pm.
<b>Class Days/Time:</b>	Tuesday and Thursday, 9:00 to 10:15 am.
<b>Classroom:</b>	MacQuarrie Hall 520.
<b>Prerequisites:</b>	HRTM 105.

**Course Description**

Formulating tactical pricing decisions to maximize revenues for hospitality organizations. Topics include: history of revenue management, reservation systems, forecasting demand, inventory control, cost analysis, pricing strategy, channel management, revenue management tactics, and applications.

**Course Goals and Student Learning Objectives**

Revenue management can be described as the formulation and solution of tactical pricing decisions to sell the right product/service to the right customer at the right time for the right price. In fact, to implement revenue management, it requires a set of techniques including using information system to establish baseline data, managing time constrained and perishable inventory, cost analysis and pricing strategy, and analyzing and segmenting customers to identify those time sensitive customers who will be willing to pay higher price toward deadline. Although it was developed by airlines, more and more hospitality organizations are implementing revenue management to maximize revenue and profits. As a result, there are high demands for well-trained revenue management personnel in the hospitality industry.

Revenue management has become an increasing popular subject to be taught in hospitality management programs. This course is designed for hospitality students who are interested in higher level managerial position responsible for the financial

performance of a hotel. Topics covered will include a review of the historical development of revenue management, reservation systems, forecasting demand, inventory control, cost analysis, pricing strategy, channel management, and revenue management tactics (i.e., overbook, discount allocation, and demand management).

Teaching format will include: lectures and discussions, guest speaker, article and video studies, homework, and internet research.

Upon completion of this course, students should be able to:

SLO 1: articulate the historical development of revenue management;

SLO 2: describe revenue management and its benefits to hospitality organization;

SLO 3: discuss the strategic levels of revenue management and how they can be manipulated to increase revenue;

SLO 4: describe revenue management in terms of its component parts and critical considerations;

SLO 5: evaluate the cost structure of a hospitality business;

SLO 6: create a system of forecasting demands;

SLO 7: use variable pricing strategies to increase revenue;

SLO 8: manage prices using distribution channels.

### **Required Texts/Readings**

#### *Textbook*

Hayes, D. K. & Miller, A. A. (2011). Revenue Management for the Hospitality Industry. Hoboken, NJ: John Wiley & Sons.

#### *Web Resources*

Ideas, a SAS company, Revenue Solutions, <http://www.ideas.com/index.php/tools-resources/webinars/>

Online webinar, white papers, videos

LinkedIn. Join LinkedIn or sign in to become a member of the Revenue Management Professionals in Travel group.

[www.4hoteliers.com](http://www.4hoteliers.com)

Hotel News Now: [www.hotelnewsnow.com](http://www.hotelnewsnow.com)

Hospitality Sales and Marketing Association International (HSMIAI)  
<http://www.hsmai.org/knowledge/index.cfm?navItemNumber=497>

## Library Liaison

Christina Mune, Reference and Instruction Librarian, Liaison for Hospitality, Recreation & Tourism Management, Dr. Martin Luther King Jr. Library, San Jose State University, Office location: #4034, Phone: 408-808-2046, E-mail: [christina.mune@sjsu.edu](mailto:christina.mune@sjsu.edu). Helpful electronic resource: URL: <http://libguides.sjsu.edu/hospitality>.

## Classroom Protocol

Policies outlined in the University Catalog and student handbook shall be enforced as defined. Further, instructor policies identified in this syllabus shall be the governing structure for this course and shall be enforced as defined. Plagiarism and cheating on examinations will be penalized to the fullest extent of University regulations. Students are encouraged to take the plagiarism tutorial offered by the King Library, <http://tutorials.sjlibrary.org/plagiarism/index.htm>. Please read the SJSU Academic Integrity Policy S04-12 at <http://www2.sjsu.edu/senate/S04-12.pdf>.

Please make a sincere attempt to arrive on time. If you arrive late, please enter the classroom quietly. It is difficult to educate fellow classmates with constant interruptions at the door. If you miss a class, given the size of this class, it is your responsibility to catch up. This class requires a lot of exercises and homework.

## Dropping and Adding

Students are responsible for understanding the policies and procedures about add/drops, academic renewal, etc. Information on [add/drops](http://info.sjsu.edu/web-dbgen/narr/soc-fall/rec-298.html) are available at <http://info.sjsu.edu/web-dbgen/narr/soc-fall/rec-298.html>. Information about [late drop](http://www.sjsu.edu/sac/advising/latedrops/policy/) is available at <http://www.sjsu.edu/sac/advising/latedrops/policy/>. Students should be aware of the current deadlines and penalties for adding and dropping classes.

## Assignments and Grading Policy

Assignments	SLO	Points
Participation	All SLO	10
Article & video study report	All SLO	15
Quizzes	All SLO	15
Homework	4,5,6,7,8	15
Mid-term examination	1,2,3,4	20
Final examination	5,6,7,8	25
<b>Total</b>		<b>100</b>

Final total percentage range and letter grade:

96 – 100	A+
93 – 95	A
90 – 92	A-
86 – 89	B+
83 – 85	B
80 – 82	B-
76 – 79	C+
73 – 75	C
70 – 72	C-
66 – 69	D+
63 – 65	D
60 – 62	D-
59 and below	F

Road to “A”--Rules for Success:

- Rule 1: Pay attention to every detail.
- Rule 2: Attend every class.
- Rule 3: Do every problem in the book.
- Rule 4: Don't postpone studying, and then cram the night before a test.
- Rule 5: Read and review lectures, readings and homework more than once.
- Rule 6: Learn how to use course materials.

### **Explanation of Assignments**

#### *Participation (10%)*

Participation in this course is expected. To receive maximum benefit from this course, you are expected to attend all classes, come prepared, and actively participate in the discussion. Late arrival and early departure in class are marks of disrespect, unprofessional, and interrupt class. Please be on time. Evaluation of participation will be based on involvement in class discussions and exercises, attendance, completion of assignments, review questions, discussion questions, and homework.

#### *Article & Video Study Report (15%)*

Students are assigned to read specific articles or watch videos before class. Review reports should be submitted to the D2L dropbox by deadline.

#### *Quizzes (15%)*

Quizzes are available on D2L. Pop quizzes may be given in class.

#### *Homework (15%)*

Homework must be typed. Most homework can be done in Excel. No late assignment will be accepted.

### *Mid-Term Examination (20%)*

The format may be true/false, multiple choice, short answer, or problems. The instructor will not administer make-up examinations unless there is an acceptable excuse. If you know that you will not be able to take an exam during its scheduled time, please inform the instructor and make appropriate arrangement.

### *Final examination (25%)*

A comprehensive final examination will be given on the scheduled day. The format may be true/false, multiple choice, short answer, or problems. The instructor will not administer make-up examinations unless there is an acceptable excuse. If you know that you will not be able to take an exam during its scheduled time, please inform the instructor and make appropriate arrangement.

## **University Policies**

### **Academic integrity**

Your commitment as a student to learning is evidenced by your enrollment at San Jose State University. The [University's Academic Integrity policy](http://www.sjsu.edu/senate/S07-2.htm), located at <http://www.sjsu.edu/senate/S07-2.htm>, requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The [Student Conduct and Ethical Development website](http://www.sa.sjsu.edu/judicial_affairs/index.html) is available at [http://www.sa.sjsu.edu/judicial\\_affairs/index.html](http://www.sa.sjsu.edu/judicial_affairs/index.html).

Instances of academic dishonesty will not be tolerated. Cheating on exams or plagiarism (presenting the work of another as your own, or the use of another person's ideas without giving proper credit) will result in a failing grade and sanctions by the University. For this class, all assignments are to be completed by the individual student unless otherwise specified. If you would like to include your assignment or any material you have submitted, or plan to submit for another class, please note that SJSU's Academic Policy S07-2 requires approval of instructors.

### **Campus Policy in Compliance with the American Disabilities Act**

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Presidential Directive 97-03 requires that students with disabilities requesting accommodations must register with the [Disability Resource Center](http://www.drc.sjsu.edu/) (DRC) at <http://www.drc.sjsu.edu/> to establish a record of their disability.

### **Student Technology Resources**

Computer labs for student use are available in the Academic Success Center located on the 1<sup>st</sup> floor of Clark Hall and on the 2<sup>nd</sup> floor of the Student Union. Additional computer

labs may be available in your department/college. Computers are also available in the Martin Luther King Library.

A wide variety of audio-visual equipment is available for student checkout from Media Services located in IRC 112. These items include digital and VHS camcorders, VHS and Beta video players, 16 mm, slide, overhead, DVD, CD, and audiotape players, sound systems, wireless microphones, projection screens and monitors.

### **Learning Assistance Resource Center**

The Learning Assistance Resource Center (LARC) is located in Room 600 in the Student Services Center. It is designed to assist students in the development of their full academic potential and to motivate them to become self-directed learners. The center provides support services, such as skills assessment, individual or group tutorials, subject advising, learning assistance, summer academic preparation and basic skills development. The [LARC website](http://www.sjsu.edu/larc/) is located at <http://www.sjsu.edu/larc/>.

### **SJSU Writing Center**

The SJSU Writing Center is located in Room 126 in Clark Hall. It is staffed by professional instructors and upper-division or graduate-level writing specialists from each of the seven SJSU colleges. Our writing specialists have met a rigorous GPA requirement, and they are well trained to assist all students at all levels within all disciplines to become better writers. The [Writing Center website](http://www.sjsu.edu/writingcenter/about/staff/) is located at <http://www.sjsu.edu/writingcenter/about/staff/>.

## HRTM 154 Revenue Management Spring 2013 Course Schedule

First day of class: Jan. 23  
Last day to drop: Feb. 4  
Last day to add: Feb. 11

Final Exam day: May 15  
Grades Due: May 24

Week	Date	Topics, Readings, Assignments, Deadlines
1	Jan. 24	Syllabus
2	Jan. 29	Chapter 1: Introduction to Revenue Management
	Jan. 31	Chapter 1 (continued)
3	Feb. 5	Chapter 2: Strategic Pricing Break-even Analysis
	Feb. 7	Chapter 2 (continued)
4	Feb. 12	Chapter 3: Value
	Feb. 14	Chapter 3 (continued)
5	Feb. 19	Chapter 4: Differential Pricing <i>Online Quiz for Ch 1-3 Due before Class</i>
	Feb. 21	Chapter 4 (continued)
6	Feb. 26	Chapter 5: The Revenue Manager's Role
	Feb. 28	Chapter 5 (continued)
7	March 5	Review for Chapters 1-5
	March 7	<b>Mid-term Examination</b>
8	March 12	Chapter 6: Forecasting Demand
	March 14	Chapter 6 (continued)
9	March 19	Chapter 7: Inventory and Price Management
	March 21	Chapter 7 (continued)

Week	Date	Topics, Readings, Assignments, Deadlines
10	March 26	<b><i>Happy Spring Recess (NO class)</i></b>
	March 28	<b><i>Happy Spring Recess (NO class)</i></b>
11	April 2	Chapter 8: Distribution Channel Management
	April 4	Chapter 8 (continued)
12	April 9	Chapter 9: Evaluation of Revenue Management Efforts in Lodging <i>Online Quiz for Ch 6-8 Due before Class</i>
	April 11	Chapter 9 (continued)
13	April 16	Chapter 10: Revenue Management for Food and Beverage Services
	April 18	Chapter10 (continued)
14	April 23	Chapter 11: Evaluation of Revenue Management Efforts in Food and Beverage Services
	April 25	Chapter 11 (continued)
15	April 30	Chapter 12: Specialized Applications of Revenue Management <i>Online Quiz for Ch 9-11 Due before Class</i>
	May 2	Chapter 12 (continued)
16	May 7	Chapter 13: Building Better Business
	May 9	Review Chapters 6-13
17	May 14	Q&A
	May 15	<b>Final Exam</b>

Note: The instructor reserves the right to revise this tentative schedule in order to enhance the achievement of learning objectives. Any revision will be announced in class and through e-mail. It is the student's responsibility to be aware of all classroom discussions, assignments, and changes in course requirements.