



BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Subject Code & Name : **BGN2301 Revenue and Profit Management**
Semester & Year : May - August 2017
Lecturer/Examiner : Katrina Chua
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
 PART A (20 marks) : Answer TWENTY (20) Multiple Choice Questions. Answers are to be written in the Answer Booklet provided.
 PART B (80 marks) : Answer all FIVE (5) short answer questions. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College of Hospitality regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students’ Handbook, up to and including expulsion from BERJAYA University College of Hospitality.

PART A : MULTIPLE CHOICE QUESTIONS (20 MARKS)

INSTRUCTION(S) : Answer all **ALL** questions. Write your answers in the Answer Booklet(s) provided.

N/A

END OF PART A

PART B : SHORT ANSWER QUESTIONS (80 MARKS)

INSTRUCTION(S) : Answer all **FIVE (5)** questions. Answer all questions. Write your answers in the Answer Booklet(s) provided.

QUESTION 1

Define the term of an expected value in an ENV framework. Provide examples to illustrate your answers. (15 marks)

QUESTION 2

Discuss **THREE (3)** main approaches to pricing strategy. Provide examples to illustrate your answers. (15 marks)

QUESTION 3

Explain the following strategic uses of unused capacity of services.

- i. Capacity for customer development
- ii. Capacity for employee endowment
- iii. Capacity for entry deterrence
- iv. Capacity for differentiation
- v. Capacity for bundling

(15 marks)

QUESTION 4

Who Is At Fault.

Michaela booked a flight from Johor to Penang. She received tickets sent through the post and on the day went directly to Terminal 2 in KLIA 2. She missed the flight and one hour later flew with the same airline to Ipoh instead.

Michaela's husband, in the meantime, already in Penang was driving from Melaka to meet Michaela at Penang Airport at 6pm, the expected time of arrival. He went to Penang Airport and after all passengers had disembarked he asked at the airline desk where was Michaela? He was told after some time that she had boarded the Ipoh flight and should have arrive at 7pm.

Michaela's husband then drove for approximately three hours on the North South Highway (approximately RM20 charges) to collect Michaela at around 9.30pm. They were too tired to drive on to their destination so they booked into a hotel in Ipoh. This cost around RM160.

Michaela, who held a fully-flexible ticket, had arrived at KLIA 2 two hours before departure. However, she was not an experienced traveller and thought the queue would move sufficiently quickly for her to check-in on time. With only a quarter of an hour to go she realised that things were getting late so she approached a member of the airline company, only to be told that boarding had closed for the flight. The airline staff had not 'combed'/checked the queue for passengers before closing the counter.

Michaela was told that it was her fault that she missed the flight but as she held a fully-flexible ticket the company transferred her to the Penang flight an hour later.

Required:

- a) Who was responsible for Michaela missing her flight to Penang? Justify your answer. (5 marks)
 - b) If the fault was the airline's, what compensation was Michaela entitled to? (10 marks)
- (Total 15 marks)

QUESTION 5

- a) Explain overbooking. (5 marks)
 - b) What are the steps involved in solving an overbooking situation? (15 marks)
- (Total 20 marks)

END OF EXAM PAPER