



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 : September - December 2016
 Lecturer/Examiner : Leon Siew Lin
 Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

- This question paper consists of 3 parts:
 - PART A (10 marks) : Answer TEN (10) Multiple Choice Questions. Answers are to be written in the Answer Booklet provided.**
 - PART B (40 marks) : Answer all FOUR (4) short answer questions. Answers are to be written in the Answer Booklet provided.**
 - PART C (50 marks) : Answer all TWO (2) essay questions. Answers are to be written in the Answer Booklet provided.**
- Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
- 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.
- 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.

Total Number of pages = 5 (Including the cover page)

PART A

: SHORT ANSWER QUESTIONS (40 MARKS)

INSTRUCTION(S)

: Answer all **FOUR (4)** questions. Write your answers in the Answer Booklet(s) provided.

1. (a) List the **FOUR (4)** types of Rates that the hotels used as their pricing strategies. (8 marks)
- (a) Give **TWO (2)** examples for the basis of pricing. (2 marks)
2. List and discuss the **FIVE (5)** methods on how to increase Revenue per Available Room. (10 marks)
3. Discuss any of the **FIVE (5)** factors affecting the value of perceptions in foodservices. (10 marks)
4. (a) Define the term of an expected value in and ENV framework. (4 marks)
- (b) Discuss Restaurant Management System. (6 marks)

END OF PART B

PART C**: ESSAY QUESTIONS (50 MARKS)****INSTRUCTION(S)**

: Answer all **TWO (2)** questions. Write your answers in the Answer booklet(s) provided.

1. "In order to optimize operational efficiency and increase their profitability hotel managers put emphasis on implementing successful operational techniques. Overbooking is seen as an important Revenue Management tool in the hotels' operation management and is one of the commonly used revenue strategies implemented in the hotels' management practices. In this regard, the current report aims to discuss and outline the main characteristics of overbooking and its impact on the hotels' operation management. Moreover, it analyses and presents the consequences of successful or inappropriate overbooking management decisions because depending on the way the overbooking is planned and managed it can have positive (increased long-term revenue, better management capacity, etc.) and negative (loss of room revenue, decreased customer loyalty, loss of hotel reputation, etc.) influence over the hotel's profitability. The paper also evaluates several publications as overbooking is a commonly discussed topic in the academic literature. In addition to the literature and theoretical background, the report examines overbooking from practical point of view and reviews its implementation within the hotel industry."

(a) Discuss why hotels practise an overbooking. (10 marks)

(b) Discuss the advantages and disadvantages of overbooking. (10 marks)

(c) How to overcome overbooking situation in a hotel? (15 marks)

2. Consider the following results from Company XYZ's latest quarter:

Number of Rooms: 1000

Average Room Rate: \$90

Average Occupancy Rate: 75%

Total Room Revenue ((1000 rooms x \$90/room x 75% occupancy) x 90 nights in the quarter):
\$6,075,000

(a) Calculate the Company XYZ's RevPAR. (4 marks)

(b) Define and discuss why Restaurants need a Restaurant Management System?
(5 marks)

(c) What are the steps involved in solving inventory control in a restaurant environment?
(6 marks)

END OF EXAM PAPER