



**MODULE LEADER**

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### RECOMMENDED READINGS

- Collection of the *Journal of Revenue and Pricing Management*.
- Cross, R.G., *Revenue Management, Hard-Core Tactics for Market Domination*, Broadway Books, New York, 1998.
- Ingold, A. et al (Ed), *Yield Management, Strategies for the Service Industries, 2<sup>nd</sup> Edition*, Continuum, London, 2000

### MODULE DESCRIPTION

Revenue Management (RM) is about a different way of “thinking” business. It has been developed and implemented since more than twenty years by creative executives and managers who “*have learned to predict customer demand at the micro-market level and to respond rapidly, as demand changes. They have learned to convert market uncertainty to probability and probability to profitability*”\*. There is inherent uncertainty associated with future demand and market conditions for any hotel in the world. What resource allocation decisions would maximize total overall profits as opposed to room nights or room rate alone? Revenue management provides a set of guiding principles which govern this decision process.

In this module, we will discuss the essentials of RM philosophy and associated systems, methods and applications. By the end of the course the participants will be able to make sound and effective revenue management decisions, and to defend their solutions and decisions. The module combines interactive lectures, and hands-on exercises and “revenue optimization games”.

### LEARNING OBJECTIVES

By the end of the Module, participants will be able to:

#### Knowledge

- Identify fundamental information for application in revenue management
- Explain the building blocks and key concepts of revenue management
- Elaborate the tactical use of revenue management

#### Competencies

- Apply specific segmentation for revenue management
- Apply basic revenue management techniques
- Analyse and make decisions from a revenue management perspective
- Evaluate the daily tasks of a revenue manager and their impact on hotel’s business and its customers

#### Mindset

- Quantify the impact of revenue management
- Appreciate the customer price-value relationship and the effect different levels of pricing have on demand

### METHODOLOGY

The module is organized as a mix of short lectures, in-class exercises and short case studies, and debates between the participants. It aims a high level of interaction and contribution from all the players.

### PARTICIPANTS

Managers, executives and entrepreneurs in any service-related business.