INTERNATIONAL UNIVERSITY OF EAST AFRICA
'Learning to Succeed'

FACULTY OF BUSINESS MANAGEMENT

END OF SEMESTER EXAMINATIONS - DECEMBER 2025

PROGRAMME: BTHM
YEAR/SEM: YEAR 3/SEMESTER 1
COURSE CODE: BTHM 3109
NAME: REVENUE MANAGEMENT IN HOSPITALITY BUSINESS

DATE:
TIME:

INSTRUCTIONS TO CANDIDATES:

SECTION A

• Section A is compulsory but Attempt only ONE question of your choice

Question 1:

CASE STUDY question 1

During their academic field tour, Tourism and Hospitality students from the International University of East Africa visited *Across the Nile Resort & Adventure Park* in Jinja, Uganda a new establishment striving to attract customers through unique facilities such as the Nile Crocodile Bite Restaurant, Bride View Water Slides, River Cottages, Boat Cruises, Horse Riding at the Source of the Nile, and camping grounds.
The resort aims to generate sustainable revenue while maintaining high service quality. However, the students observed several challenges, including limited promotional strategies, inconsistent pricing of services, staff incompetence in customer handling, and underutilization of event venues such as wedding and conference halls.

Questions (40 marks):
a. Discuss the key principles of revenue management that the resort should adopt to optimize income from its various facilities. *(10 marks)*
b. Identify and analyze operational inefficiencies or incompetencies that could hinder effective revenue generation in the resort. *(10 marks)*
c. Propose a pricing and promotion strategy suitable for the different services (restaurant, cottages, boat cruises, water slides, events). *(10 marks)*
d. Recommend staff training and service improvement measures that would enhance customer satisfaction and repeat visits. *(10 marks)*

Question 2:

CASE STUDY question 2

As part of their field tour, the students evaluated the *Nile Crocodile*

Bite Restaurant and adjacent adventure facilities at Across the Nile Resort. The business offers non-alcoholic hot and cold beverages, local and continental meals, thrilling adventure experiences, and event hosting services. Despite its strategic location by the River Nile, management faces challenges in converting high visitor traffic into consistent revenue. Issues such as poor coordination between departments, limited digital marketing, and inconsistent service quality were noted.

Questions (40 marks):
a. Evaluate how customer experience management can contribute to the resort's overall revenue performance. *(10 marks)*
b. Analyze the relationship between product differentiation (e.g., horse riding, water slides, boat cruises) and revenue maximization in this hospitality setting. *(10 marks)*
c. Examine the role of technology and data-driven decision-making (e.g., reservation systems, customer feedback tools) in improving revenue management for the resort. *(10 marks)*
d. Develop strategic recommendations for management to enhance competitiveness and achieve long-term financial sustainability. *(10 marks)*

SECTION B

• Attempt any three questions of your choice from section B

Question 1:

You are the General Manager of a mid-scale hotel under an international chain, operated by a management company but owned by a local investor.
Discuss the advantages and potential conflicts that may arise among the chain, Management Company, and owner in decision-making processes. (20 marks)

Question 2:

A hotel group is planning to expand into Southeast Asia. They want to categorize markets at different geographic levels to understand demand.
Explain how the group can segment its markets geographically (continent, sub-continent, country, market, submarket) and why this approach is critical for expansion strategy. (20 marks)

Question 3:

A luxury hotel in Dubai wants to assess its performance relative to competitors.
Design a benchmarking approach using both primary and secondary competitive sets and explain how this will influence management decisions. (20 marks)

Question 4:

The following data shows a hotel’s monthly occupancy, ADR, and RevPAR over three quarters.
Analyze trends in performance using percent change and index calculations. Discuss the implications for revenue strategy. (20 marks)

Question 5:

You are required to brief the board on STR reports before an investment decision.

Compare and contrast the use and purpose of Ad-hoc, Trend, and Pipeline Reports in strategic planning. (20 marks)

Question 6:

During a low season, a resort experiences a decline in occupancy despite an increase in marketing spend.
Analyze how marketing and revenue management teams can collaborate to balance value creation and cost optimization. (20 marks)

Question 7:

A guest complains about discovering a lower rate online after booking directly with your hotel.
Evaluate the situation using the concept of fairness, rate integrity, and consumer perception of value. Recommend how the hotel should respond. (20 marks)

Question 8:

Your hotel chain relies heavily on Online Travel Agencies (OTAs).
Propose strategies for optimizing the mix between electronic and traditional distribution channels to maximize profitability. (20 marks)

Question 9:

Discuss how the interaction between value, quality, and price affects consumer perceptions in lodging products. (20 marks)

Question 10:

Evaluate the challenges hotels face in maintaining rate parity and rate integrity across various distribution channels. (20 marks)

Question 11:

Discuss the steps involved in mapping the revenue management process in a lodging business. (20 marks)

Question 12:

Examine the importance of forecasting demand and inventory optimization in achieving revenue goals. (20 marks)