Show Me the Money! Quiz (Key)

Match the correct term with each definition below by writing in the correct letter for each item.

A. Forecasting  
B. Demand  
C. Supply  
D. Budget  
E. Occupancy Rate  
F. Length of Stay  
G. Average Daily Rate

__F__ 1. The number of nights an individual uses their room  
__B__ 2. The total amount of a good or service consumers want to purchase at a given price  
__E__ 3. A ratio of guest rooms sold to guest rooms available  
__A__ 4. Predicting the number of guests who will stay at the hotel  
__G__ 5. The average of all the room rates together that have been sold for one night  
__C__ 6. The total amount of goods or services available for sale  
__D__ 7. A guideline for spending money

Complete the statements with the correct answer.

8. There are 6 factors that affect revenue management that we discussed in class. Name 2 factors.
   ADR     LOS     Room Rates     Demand     Supply     Occupancy rate

9. The Grand Star hotel has a total of 150 rooms and 128 of the rooms are sold for the night. Calculate the Occupancy rate below. Be sure to show your work.

   \[
   \text{Occupancy rate} = \frac{128}{150} = 0.853 \times 100 = 85.3\% 
   \]

10. The Blue Diamond hotel has 200 rooms available per night and an average occupancy rate of 78% for the week and an average daily rate (ADR) of $109 per night. Calculate the weekly estimated revenue. Be sure to show your work.

   \[
   \text{Weekly Estimated Revenue} = (200 \times 0.78) \times 7 \times $109 = $119,028 
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