

Crunching Numbers Notes (Key)

Complete each section with the correct answer.

Types of budgets

Annual budget

- **Estimated** spending for **one year**, often divided by **department**.

Long-range budget

- Scheduling **large expenditures**

Monthly budget

- Used to **operate** the business daily. Especially important for **seasonal businesses**.

Revenue Manager

Devises and **implements** pricing strategies

Approves: **discounts** to a variety of groups (AAA or AARP)

exclusive rates to select guests

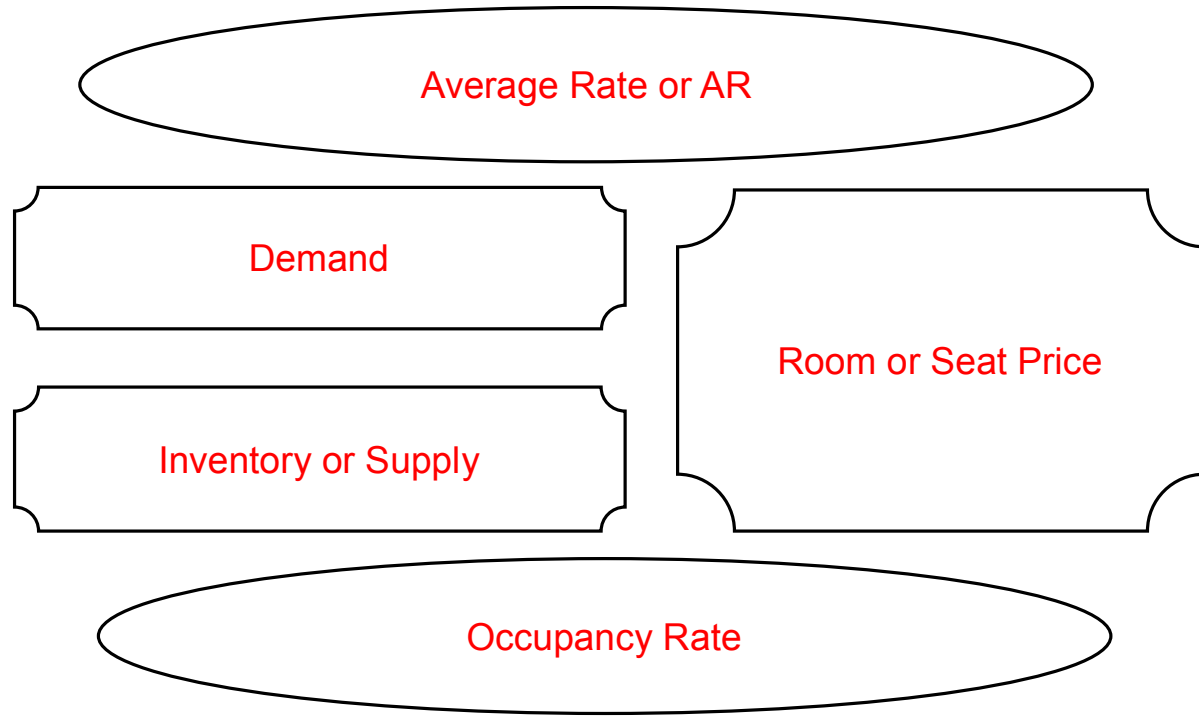
flexible rates

Meets **revenue** goals

Brings **value** to guests

Forecasts **future** sales

Factors of Influence on Revenue Management



Room revenue forecasting should include:

- Rooms or seats available to sell
- Estimated rooms or seats to be sold
- Estimated occupancy rate
- Estimated average rate