MBAD 532 – Channel Management Strategies in Hospitality

Date, Time, Location
Instructor: Wayne W. Smith PhD
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Office Hours: TBA - Other times by appointment

Course Prerequisite: MBAD 531, Principles of Revenue Management in Hospitality

Required Text:

Course Description:
This course outlines strategies related to setting the right prices, developing rate fences (differentiate prices by customer type), and using multiple distribution channels to manage price more effectively. Students will focus on the impact of variable pricing and discounting on revenue management in the context of price elasticity, optimal price mix, perceived fairness, and congruence with positioning and sales strategies.

Course Objectives:
• Use variable pricing strategies to increase revenue
• Develop effective rate fences
• Manage prices using distribution channels
• Pricing based on supply and demand (case studies)
• Analyzing patterns and pricing decisions based on profitability
• Overview of different guest segments and impact on pricing
• Templates for monitoring rate structure and performance (Yield calendars, strategy boards)

SBE Learning Goals:
The SBE learning goals are:
• *Effective Communications*: Students will write professional documents that are technically correct and concise and make effective presentations utilizing technological tools and ability utilizing relevant discipline specific knowledge.
• *Ethical Awareness*: Students will recognize and be able to appraise ethical dilemmas involved in business decisions and competently engage in discourse aimed at resolution of these dilemmas utilizing relevant discipline specific knowledge.
• *Global Awareness*: Students will recognize and examine the global implications of business decisions while evaluating and integrating innovative applications of these implications utilizing relevant discipline specific knowledge.
• *Problem Solving Ability*: Students will demonstrate critical thinking skills in identifying and evaluating problems and opportunities in the business environment and apply analytical techniques to formulate creative solutions utilizing relevant discipline specific knowledge.

Honor Code and Academic Integrity
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each instance is examined to determine the degree of
deception involved. Incidents where the professor believes the student’s actions are clearly related more to ignorance, miscommunication, or uncertainty, can be addressed by consultation with the student. We will craft a written resolution designed to help prevent the student from repeating the error in the future. The resolution, submitted by form and signed by both the professor and the student, is forwarded to the Dean of Students and remains on file. Cases of suspected academic dishonesty will be reported directly to the Dean of Students. A student found responsible for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board. It is important for students to remember that unauthorized collaboration--working together without permission-- is a form of cheating. Unless a professor specifies that students can work together on an assignment and/or test, no collaboration is permitted. Other forms of cheating include possessing or using an unauthorized study aid (such as a PDA), copying from another’s exam, fabricating data, and giving unauthorized assistance. Remember, research conducted and/or papers written for other classes cannot be used in whole or in part for any assignment in this class without obtaining prior permission from the professor. Students can find a complete version of the Honor Code and all related processes in the Student Handbook at http://www.cofc.edu/studentaffairs/general_info/studenthandbook.html.

Disability Statement
This College abides by section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act that stipulates no student shall be denied access to an education “solely by reason of a handicap.” Disabilities covered by law include, but are not limited to, learning disabilities and hearing, sight or mobility impairments. If you have a documented disability that may have some impact on your work in this class and for which you may require accommodations, please see an administrator at the Center of Disability Services, (843) 953-1431 or me so that such accommodation may be arranged.

Grading Grades
Case Assignments 50
Final Test 30
Presentation & Outline 20
TOTAL 100
Grading
A 90 - 100
B+ 85 – 89
B 80 – 84
C+ 75 – 79
C 70 – 74
F 0 – 69
Incomplete I
Withdrawal W
Academic Dishonesty XF
Class Assignments (50%)
At certain periods during the case study assignments will be distributed. These assignments will correspond to the lecture materials and provides a hands-on learning experience critical to engaging the course materials. If you miss an assignment for a legitimate reason (illness, serious family matters etc.), you must come see the instructor during office hours to discuss the possibility of making up the grade. You may only make up one missed in class assignment per term with the exception of extreme circumstances as judged by the professor.

Presentation & Outline (20%)
In a group of up to four students, you will deliver a 20 minute presentation to the professor & industry partners outlining your recommendations in relation to an assigned issue.

Final Exam Test (30%)
The test will consist of essay style questions related to the course materials (including both lecture (incl. guest speaker) and readings). It is the student’s responsibility to be available to take the test at the scheduled times.

CLASS SCHEDULE
(Subject to Change upon Instructor’s Discretion)
Topic 1: What is Strategic Thinking?
Topic 2: Introducing Strategic Pricing
   Economic Theory of Revenue Management
   Pricing Fundamentals
   Three Levels of Pricing
Topic 3: Strategic Approaches to Yield Management
   Inventory Control
   Transaction Strategy
   Demand-Based Pricing
Topic 4: Evaluating Appropriate Channels of Distribution
   Traditional Channels
   Online Travel Agencies
   Future Channel Opportunities
Topic 5: Strategic Models of Dynamic Pricing
   Evaluating Forecasts
   Establishing Guidelines for Return on Investment
   Creating Policy
Topic 6: Final Presentations