

# **An Empirical Overview of Contemporary Revenue Management Practices in Hotel Industry; Evidence from Star Graded Hotels in Colombo District**

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Revenue Management is an integrated systematic approach widely accepted in the global hotel industry to achieve optimum revenue of service organizations through the manipulation of various strategies. Based on the industry specific characteristics, location, and availability of resources the applications of revenue management in different setups are profoundly varied. The solicitation of revenue management has more strategic and technologically driven practice and hence selecting a most appropriate display for the hotel revenue management in competitive business environment is controverted over the years. This study was conducted to understand and critically evaluate the revenue management practices and techniques, comparative to the hotel demographics and use of pricing and non-pricing revenue management tools in star graded hotels in Sri Lanka to deliver an overview of the application of this global concept in the local context. A self-administered questionnaire consisted with seven sections was distributed among the top managers responsible for revenue decisions of each star graded hotel in Colombo district and collected responses from 45 hotels. Descriptive statistics was used to identify the level of application of diverse practices while ANOVA was used to identify the differences. The results were congregated the demographic data about the sample, various revenue-generating services in in each hotels, revenue management tools applied at the hotel, revenue management team, RM software and distribution channel management, revenue management process, level of knowledge and application of different metrics and forecasting methods used for revenue management. The findings of the study provide ample indications for policy makers and hoteliers to intensify the importance of different revenue management tools and techniques in the hotel industry to meet the expected revenue hallucinations.

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