Student instructions

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| Understand: your job  Congratulations! You have just been appointed as the Business Development Manager of the Happy Holiday Hotel chain. Happy Holidays want to open a brand new 100-bedroom hotel/resort.  Your job is to choose a location for the hotel/resort and set the room pricing structure so that you can calculate how much income your hotel will generate in a year. Your boss isn’t concerned about costs at this stage, just how much money the new hotel can generate from room bookings. You will present your findings in a report that needs to address the following points. |
| Understand: choose the hotel/resort location  Choose a location. This can be in Australia or overseas, provided you choose a destination that you can easily find information about.  Decide what type of hotel you think should be built – is it a super-luxury hotel or an affordable destination?  Include a paragraph in your final report explaining where your hotel is located and describing the type of hotel. |
| Plan and do: collect data  As your hotel is mainly aimed at holiday-makers weather is a big concern. Collect data on the climate at your location. You could include temperature, rainfall, sunshine hours, snow, humidity or wind.  Good sources of information are:   * Australian Government Bureau of Meteorology * World Meteorological Organization |
| There are times of year when your hotel might be more popular, such as public holidays, school holidays or major events. Make a list of dates of significant events. For example, if you chose Melbourne, popular times could include the Australian Open Tennis Tournament, Melbourne Grand Prix, Comedy Festival, Melbourne Cup or Taylor Swift concerts. |
| There will already be hotels in the local area. Using a hotel booking site, try to find a hotel that is similar to yours in location, target market, facilities and size, and collect data on room prices throughout the year. |
| Plan and do: present and analyse data  Present the data you have collected and comment on the impact on your hotel. For example, in Melbourne the cold weather in winter will deter many visitors, yet in Queensland, winter is a popular time to visit as it is pleasantly warm compared to some other states or territories.  Present your data in a way that is visibly appealing and easy to understand. Think about using line graphs, bar graphs, tables, timelines or calendars (see template). You can create your own data displays or use graphs already presented, provided you reference them appropriately.  Be specific when analysing your data rather than just making general statements like ‘summer is warmer’. Use mathematical terms such as ‘mean’ and ‘range’. |
| Consider: decide pricing model  Use all the data you have collected to decide your pricing model or structure. Often hotels use a range of pricing bands and place different weeks into each band.  See the next page for an example and use this (or a similar) structure. For each band, explain how you chose which weeks to place in the band to justify your choice. |
| Communicate: report your findings  Produce a report for your boss explaining your findings and how you arrived at your pricing model. You will need to produce a calculation showing the total expected income for the year. Not every room in your hotel will be full every night. Occupancy is a measure of how full a hotel is and is typically 70% to 95%. You must choose an occupancy rate for your hotel and include it in your calculations. |

Hotel pricing bands

Peak season

This is when demand is at its highest, often during major holidays, festivals, or the most favourable weather conditions. Prices are at their maximum during this period.

High season

Just a step below peak season, high season still sees substantial tourist inflow but not at its absolute maximum. This might be just before or after the main holiday periods or during slightly less favourable, but still attractive, weather conditions. Prices are high, but slightly less than peak prices.

Shoulder season

This is the transitional period between peak/high seasons and low/off-peak seasons. While demand is decreasing or ramping up, it's not at its lowest or highest. Prices are moderate, offering a balance between demand and supply.

Low season

This period sees a decline in tourists due to factors like less favourable weather, school terms in session, or absence of holidays or festivals. Prices are reduced to attract guests.

Off-peak season

This is the time with the lowest demand, often due to challenging weather conditions or other deterrents for tourists. Prices are at their lowest to entice bookings during these quieter periods.

Assessment rubric

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| Criteria | Developing | Achieving | Exceeding | To improve you could … |
| Introduction | Identifies either the location or type of hotel but does not fully describe the hotel and its location. | Clearly identifies the location and type of hotel. | Exceeds expectation when identifying the location and type of hotel. |  |
| Collection and presentation of data | Attempts to collect and present some data related to climate, local events, holidays and competitor pricing.  Data is incomplete or is presented in an unclear and disorganised manner, for example, missing labels, illegible graphs. | Collects and presents relevant data related to climate, local events, holidays and competitor pricing.  Data is clearly presented using appropriate and properly labelled data displays. | Effectively collects and presents a wide range of detailed and relevant data related to climate, local events, holidays and competitor pricing.  Data is presented in a clear and organised manner, including using student-generated data displays. |  |
| Analysis of data | Comments and analysis on the data are limited or missing or are not related to the task. | Demonstrates sound understanding of the data, providing some interpretation and analysis relevant to the task. | Demonstrates thorough understanding of the data, providing insightful interpretation and analysis, highlighting key trends and patterns of relevance to the task. |  |
| Application of data to pricing model | Makes some attempt to apply the collected data to a pricing model but makes only limited reference to the data and uses overly simplistic or unrealistic pricing assumptions. | Makes a sound attempt to apply the collected data to a five-band pricing model, considering at least two of the data sets and making reasonable and justified pricing assumptions. | Effectively applies the collected data to a five-band pricing model. Takes account of all the collected data and uses sophisticated banding strategies, supported by reasonable and clearly justified pricing assumptions. |  |
| Revenue calculation | Attempts to prepare a revenue budget calculation using mathematical modelling and calculation strategies, but the effort is incomplete or inaccurate and assumptions about occupancy levels are missing or unrealistic. | Prepares a revenue budget calculation using mathematical modelling and calculation strategies, making a reasonable assumption about occupancy levels. | Effectively prepares a detailed and accurate revenue budget calculation using appropriate mathematical modelling and calculation strategies, leveraging spreadsheet functionality and making differentiated and reasonable assumptions about occupancy levels. |  |
| Overall communication | Struggled to work in a team, producing a report that was missing some required elements. | Worked soundly in a team, producing a report addressing all criteria. | Worked well in a team, helping produce a clear and consistent report using headings and good reporting structure. |  |