

Paper Code: M-EPA-HMRM4001

Level
4

Hospitality Manager: Revenue Management - Mock On-demand Test

Information for registered centres

The seal on this examination paper must only be broken by the candidate at the time of the examination. Under no circumstances should a candidate use an unsealed examination paper.

Information for candidates

Under no circumstances should you, the candidate, use an unsealed examination paper.

This examination consists of **35 scenario based multiple-choice questions** and is split into **Part A** and **Part B**. The duration of this examination is **90 minutes**. **Part A** consists of questions **1-25** and will assess the core knowledge criteria. In order to achieve a **Pass** a minimum of **18 marks** must be achieved in **Part A**. **Part B** consists of **26-35** and will assess the specialist pathway knowledge criteria. In order to achieve a **Pass** a minimum of **7 marks** must be achieved in **Part B**. The exam is worth **35 marks**, with a **Pass** being **25 marks**, and **Distinction 30 marks**.

You are **NOT** allowed any assistance to complete the answers.

You must use a pencil to complete the answer sheet - pens must **NOT** be used. When completed, please leave the **examination answer sheet (EAS)** on the desk.

EXAMINATION ANSWER SHEET (EAS) INSTRUCTIONS:

For each question, fill in **ONE** answer **ONLY**.

If you make a mistake, ensure you erase it thoroughly.

You must mark your choice of answer by shading in **ONE** answer circle only.

Please mark each choice like this:

01 A B C D **ANSWER COMPLETED CORRECTLY**

Examples of how **NOT** to mark your examination answer sheet (EAS). These will not be recorded.

01 A B C D **DO NOT** partially shade the answer circle
ANSWER COMPLETED INCORRECTLY

01 A B C D **DO NOT** use ticks or crosses
ANSWER COMPLETED INCORRECTLY

01 A B C D **DO NOT** use circles
ANSWER COMPLETED INCORRECTLY

01 A B C D **DO NOT** shade over more than one answer circle
ANSWER COMPLETED INCORRECTLY

All candidates **MUST** sign the Examination Answer Sheet (EAS) in the bottom right-hand corner of the page before leaving the examination room.

Part A is comprised of the following **25 core questions**.

Scenario 1

A food and beverage service manager has recently been hired at a late-night venue, which is part of a well-known chain. The business is located in the centre of a busy city, with its main clients consisting of students and young people. There are also many competitors nearby. The manager has been tasked with reviewing the business, in particular marketing, finance and their team of employees. They have also been asked to implement new strategies.

1

Due to their recent employment and other rapid changes that are occurring within the business, the manager has been asked to review the current contingency plan. They should ensure it is:

- A. easy to implement, meets demand, adheres to budgetary requirements and is regularly reviewed
- B. needs-based, practical, time-efficient, meets demand and is realistic
- C. realistic, practical, efficient, needs-based and is regularly reviewed
- D. time-efficient, realistic, easy to implement, meets demand and adheres to budgetary requirements

2

The manager is now responsible for a team of 12 employees. Why is team training important?

- A. To evaluate team performance and offer feedback and support
- B. To keep employees 'in line' and make sure they are consistently following orders
- C. To check employee wellbeing and mental health and provide support
- D. To maintain compliance with legislation and the company's policies

3

One of the strategies the manager has been asked to implement is a people strategy. These are important because they:

- A. monitor current employees to help them feel valued and improve their productivity to maximise business potential
- B. focus on retaining effective employees while also attracting new ones to achieve the best business performance
- C. are a method of workforce planning that centres solely on maximising the business' profits and minimising labour costs
- D. recruit experienced employees who require less support so that managers can impact the business elsewhere

4

The owners have asked the food and beverage service manager to analyse the target markets of the business. Which data and information should be utilised?

- A. Demographic, geographic, systematic and systemic
- B. Behavioural, firmographic, geographic and systemic
- C. Demographic, discreet, psychographic and systematic
- D. Behavioural, demographic, geographic and psychographic

5

Following target market analysis, the manager must then look to the next year and plan for growth. When forecasting for the **next** financial year, it is important to consider trends to:

- A. determine customer preferences that will set the business apart from the competition
- B. ensure that only new products are stocked to encourage customers to spend more
- C. ensure customers and colleagues are aware that the business aims to stock products that are in season
- D. determine the premium products that customers will have seen on social media

6

One of the key performance indicators (KPIs) concerns the amount of money spent on staffing hours and efficiency. As a **minimum**, the manager **must** analyse and compare:

- A. average sales per hour and average plate waste per customer
- B. average staff hourly rate and the number of staff that are not working
- C. footfall per hour and the budgeted gross profit percentage
- D. actual sales per hour and the number of covers per team member

7

Compliance is one area that has been brought to the manager's attention. The **most** important reason to monitor the compliance of different departments is to:

- A. meet customers' wants, needs and expectations
- B. uphold legal requirements, standards and behaviours
- C. maintain employee innovation, creativity and autonomy
- D. identify employees' training, development and progression needs

8

The manager has been asked to brief the team in person about the recent changes. The **most** effective way to communicate is by being:

- A. organised, concise, prompt and commanding
- B. honest, concise, friendly but restricting questions from employees
- C. open, honest, clear and allowing employees to ask questions
- D. friendly and sincere but commanding and directive

Scenario 2

You have just been promoted to multifunctional manager at the restaurant you have been employed at for 8 years. The business is located in a rural town that is becoming increasingly popular with tourists, particularly during the summer months. This is beginning to impact several businesses in the area. The owner wants you to analyse various elements of the business to prevent further problems and increase revenue.

9

After being asked to revisit the brand image of the business, you realise the business vision also needs to be considered. The business vision is:

- A. conceptualising the founder's original ideas for the business
- B. conceptualising what the business wants to achieve in its turnover
- C. a statement about what the business would like to be known for and perceived as
- D. a statement about the business that is easily memorable

10

The **most** effective way to plan for an increase in revenue for the business is by:

- A. analysing the previous year's testimonials and asking all employees for their opinions
- B. formulating a new budget, based on employee ideas and potential opportunities
- C. analysing the previous year's annual income, as well as risks and constraints
- D. formulating a financial strategy which includes risks, constraints and opportunities

11

Being new to the role, which leadership style is **most** appropriate to use?

- A. Autocratic
- B. Democratic
- C. Laissez-faire
- D. Transactional

12

The team have voiced concerns about reporting to new management. How can you help empower the team?

- A. Reinforce positive feedback when employees have earned it
- B. Ask employees to follow, share and promote your ideas
- C. Develop professional relationships and encourage open communication
- D. Demand they voice their opinions and promise to action them

13

Due to the increased custom during the summer months, part of your job involves recruiting new employees. Which supporting documents are used in the **initial** recruitment process?

- A. Job description, CV, code of conduct and equality policy
- B. Identification, CV, application form and equality policy
- C. Identification, CV, person specification and code of conduct
- D. Job description, person specification, CV and application form

14

You want to consider a marketing campaign to promote the business. The **most** important financial information used to support any decisions made around marketing spending is a:

- A. cash flow forecast
- B. balance sheet
- C. profit and loss account
- D. bank statement

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You need to inform current employees that you are recruiting extra employees for the summer months. How can this change be managed effectively?

- A. Send an email to all managers informing them of the recruitment and roles that need filling and encouraging enquiries
- B. Hold a meeting to announce the recruitment and explain the reasons for this before addressing any concerns or queries
- C. Place posters and notices in common areas of the workplace to let current employees know about the upcoming recruitment
- D. Share the news using social media and the company website and explain how the recruitment will benefit the business and current employees



Scenario 3

Jamie is a front office manager employed by a large hotel venue whose customers are majoritively middle-aged adults. The hotel is also equipped with an onsite restaurant. They are responsible for ensuring customer satisfaction and analysing customer feedback to continuously improve the organisation. Jamie also manages reservations and delivery of the business standards.

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The **main** factors customers measure business performance against are:

- A. ethics, equality, costs and perceived quality
- B. value for money, perceived service, experience and employee professionalism
- C. equality, employee professionalism, requirements and value for money
- D. requirements, expected service, costs and experience

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Which type of marketing technique would further **increase** the business' revenue?

- A. Using the company's social media to promote available rooms and discounts
- B. Organising a promotional event with nearby competitors to increase custom
- C. Upselling to customers who are checking in by offering small discounts for upgrades
- D. Informing suppliers of discounts so they can promote the business in their free time

18

Jamie implements a new marketing strategy. Why is having a clear marketing strategy important?

- A. It discourages the business from using a purely data-driven approach
- B. It prevents employees from leaving to work for competitors and other companies
- C. It allows the business to identify and understand their target audience
- D. It increases the likelihood of the business becoming the top result on search engines

19

Which are the **most** likely areas of potential waste or loss in Jamie's hotel?

- A. Food service equipment and electricity
- B. Flooring, decor and maintenance
- C. Paper, card and other stationary
- D. Linen, food and drink

20

Before adding a self-service, hot water dispenser in the reception area, Jamie conducts a risk assessment. The 5 **key** elements of this are:

- A. identify, control, mitigate (or minimise), evaluate and monitor
- B. identify, analyse, respond, mitigate (or minimise) and monitor
- C. observe, analyse, control, mitigate (or minimise) and repeat
- D. observe, respond, mitigate (or minimise), report and repeat

21

Jamie identifies several hazards associated with the water dispenser. Which hazard would have the **highest** risk rating?

- A. Bacterial build up
- B. Slips and trips
- C. Burns and scalds
- D. Lifting injuries

22

It is important for Jamie to consistently ensure that legal and ethical principles are adhered to. How do ethical principles govern marketing?

- A. By allowing businesses to use advertising to sell a diverse range of products
- B. By outlining acceptable behaviours within the business' marketing strategy
- C. By enabling businesses to create individual promotional strategies
- D. By maintaining equality by implementing and utilising sustainable advertising

23

A customer has complained about the service they received from a receptionist at check-in. How can Jamie implement a successful service recovery strategy to support the customer?

- A. Apologise, understand the complaint, resolve the issue and follow up with the customer
- B. Express concern, listen to the complaint, document the issue and promise to pass it on to a superior
- C. Listen, document the issue, divert attention from the issue and speak to the receptionist
- D. Take note of their feedback, understand, request the receptionist resolves the issue and monitor the situation

24

Jamie wants to investigate customers' perception and the business' reputation. The **difference** between perception and reputation is that:

- A. perception is a subjective assessment of a product which is made by an individual, whereas reputation is the public perception of a business
- B. perception is the public opinion of a business, whereas reputation is how engagement affects how the business actually operates
- C. reputation is the public perception of a business, whereas perception is how collaboration and communication is impacted by the overall public opinion
- D. reputation is an individual customer assessment of the business, where as perception is how the business actually operates

25

Although new to a management role, Jamie is determined to successfully champion the business. This can be achieved by:

- A. providing employees with positive and negative feedback to push development and negate inefficiency
- B. putting the needs of the organisation above all else, including employee morale and engagement
- C. creating a vision for the organisation's future by only recruiting experienced employees
- D. motivating the team to operate to brand standards and encouraging them to become ambassadors for the organisation

Part B is comprised of the following **10 specialist pathway questions**.

Scenario 4

Fred is a revenue manager at a boutique hotel in a popular tourist destination. The hotel also contains a spa, a restaurant and a bar. Their role requires them to manage the revenue generated by the business, analyse and interpret data to drive revenue improvements and present and report on any revenue analyses carried out. They are also responsible for identifying and collecting data from different sources and compiling revenue forecasts.

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Fred is conducting a return on investment (ROI) analysis to support with revenue forecasting. The purpose of an ROI analysis is to:

- A. determine the effectiveness of various marketing campaigns to maximise financial gains
- B. focus on immediate financial gains while considering the long-term sustainability of business strategies
- C. integrate financial data and customer engagement metrics in decision-making processes
- D. evaluate the profitability of investments and initiatives, guiding strategic resource allocation for future planning

27

Fred wants to introduce key performance indicators (KPIs) to track the hotel's performance. Which KPI is used to measure the average price paid per overnight stay?

- A. Cost per occupied room (CPOR)
- B. Occupancy rate (OR)
- C. Revenue per available room (RevPAR)
- D. Profit per available room (PROFPAR)

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Fred is conducting a revenue analysis. The aims of revenue analysis include:

- A. generating revenue, identifying strengths and weaknesses in revenue streams and assessing individual employee performance
- B. identifying strengths and weaknesses in revenue streams, making data-driven decisions and understanding how revenue is generated
- C. understanding how revenue is generated, focusing on increasing the sales volume and increasing the profitability of all products sold
- D. assessing individual employee performance, analysing revenue targets and productivity, and making data-driven decisions

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As part of a revenue forecast, Fred is analysing the hotel's generated waste. The primary objective of identifying potential waste is to:

- A. reduce staff numbers
- B. minimise inefficiencies
- C. seek customer feedback
- D. maintain high inventory levels

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How can Fred use overbooking to effectively manage and increase revenue?

- A. reduce occupancy rates, which creates a sense of exclusivity and enhances the hotel's reputation
- B. allow the hotel to accept more reservations than rooms available, based on historical data and cancellation predictions
- C. offer last-minute discounts to fill the hotel's empty rooms and attract spontaneous travellers
- D. limit the number of reservations based on the hotel's capacity and the need to create a perception of high demand

31

Fred has been asked to optimise performance using customer feedback and segmentation. Which of the following sources provide comprehensive data for these?

- A. Customer relationship management (CRM) systems, surveys conducted on repeat customers and social media comments
- B. Website analytics, demographic research tools and competitor analysis
- C. Surveys conducted on repeat customers, customer relationship management (CRM) systems and demographic research tools
- D. Social media comments, feedback obtained from reservation systems and website analytics

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Fred is conducting research into market demand to improve revenue. In revenue management within the hotel, market demand data helps to:

- A. determine staff schedules, and identify peak demand periods and seasonal patterns
- B. identify seasonal patterns, special events and competitor behaviour
- C. determine room rates, and identify the impact of local attractions and competitor behaviour
- D. identify potential improvements to amenities, as well as seasonal patterns and competitor behaviour

33

When compiling data for a customer service competitor analysis, which sources should Fred use?

- A. Competitors' pricing strategies, staff surveys and guest feedback
- B. Review platforms, competitors' websites and guest feedback
- C. Historical data, competitors' websites and social media posts
- D. Competitors' pricing strategies, social media posts and review platforms

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Fred is reviewing the hotel's performance during the summer period. Which of the following data sources drives revenue improvements?

- A. Competitor reviews, the profit generated and staff costs
- B. Expenditure, footfall and customer feedback
- C. Gross profit, social media reviews and staff feedback
- D. Sales figures, customer feedback and various elements of social media

35

Fred has been asked by the owners to report on the hotel restaurant's performance for the previous year. It is important that the report is accurate because:

- A. suppliers can then be contracted for products at set prices, and maintenance work can be performed as planned
- B. marketing campaigns and restaurant staffing can be allocated for the following year
- C. strategic planning can be carried out, and an understanding of customer behaviour can be gained
- D. managers can publish the report on social media to secure external funding for the restaurant







Level 4

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