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## A Study on Planning and Strategies used in Finalizing Room Tariff in the Suryaa Hotel, New Delhi

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**Abstract-** The Front Office is the face of the Hotel for connecting and interacting with guests. The features of the Front Office department are Booking, Guest Relations, Check-in, and Check-out Telephone Cashier Finance. The front office is also known as the centre of the hotel. This department is located around the hotel's foyer area and is easy for guests to find and is visible to guests, and visitors, so these are collectively referred to as the Front Office Department. Room tariff is the charge of the particular room which is sold by the front office department. And room tariff is calculated which is decided by the front office department or by the reservation department.

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A STUDY ON PLANNING AND STRATEGIES USED IN FINALIZING ROOM TARIFF IN THE SURYAA HOTEL NEW DELHI

*Strictly as per the compliance and regulations of:*



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# A Study on Planning and Strategies used in Finalizing Room Tariff in the Suryaa Hotel, New Delhi

Kaif Abbas<sup>α</sup>, Himanshu Sharma<sup>ο</sup> & Prof. (Dr.) Rajiv Mishra<sup>ρ</sup>

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## I. INTRODUCTION

Room tariff is charged on different basis 12 noon /night, check in or check out basis, 24-hour basis, number of nights basis, day use.

Also, the hotel will be focusing on their sales techniques and what kind of discounts and festive offers which is given to attract more and more customers.

Tariff is the amount which is charged by the hotel from the guest for the consuming different facilities, services during their stay commonly. Room price also includes the breakfast and meal plans to the guest and for the corporate clients

Now days hotels are readily accepting advance reservation and booking in achieving the 100% occupancy and to increase their room revenue. When a guest makes the pre booking for a particular time period it is mandatory that the hotel will accept reservation.

Special treatment from the hotel then given to the guest It is a guarantee contract between the hotel and the guest.

A booking therefore, is this bilateral contract between a hotel and a guest, according to which the hotel have to provide the allotted room type to the

guest and the guest should agree to pay all the relevant charges. This is also known as the contract of booking, confirmation letter or the reservation.

If the hotel or guest wishes to cancel the reserved room, this can be done by mutual agreement between the guest and the hotel. If the guest forgets to notify the hotel about the cancellation of, the room decides to withhold the prepayment amount deposited or received by guest in order to recover the profit from the hotel room revenue. The amount confiscated if the guest does not notify Hotel to cancel the room at hotel that is called the retention fee. If hotel cannot accommodate guests at check-in, the hotel must provide another way to give guests cherries.

## II. OBJECTIVES

- To understand the strategies used in deciding the room tariff
- To understand which formula is used for calculating the room tariff
- To know the hotel target audience.

## III. IMPORTANCE

- Government

The study will be significant to the government as they'll be able to have a body knowledge that will help them create policies and regulations that can be beneficial or the hotel sector. They will be able to assist the hotel industry by providing a conducive business environment for the hotels to fulfill customers preferences.

- Scholars

This study will provide other scholars and other researchers with literature that can be used for further research on how customer preferences play a big role in the hotel industry especially in regards to Fine Dining Restaurants and Quick Service Restaurants.

- Suryaa Hotel

Suryaa hotel will gain information on how their customers prefer and this can be used to create a better experience and services for their customers.

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#### IV. JUSTIFICATION

First of all, the understanding of what customers prefer is essential for every restaurant so as they are able to satisfy their wants and needs. Secondly the knowledge can be used to refine the standard operating procedures to better retain their customers and even attract new clientele as the best advertisers are the customers who are satisfied with the services rendered.

#### V. LITERATURE REVIEW

- In his research, Author- Mr Showin talked about how the room tariff varies in the different hotel in this research he concentrated more on the hotel data not on the hotel strategies which is used in the hotel

In this research he didn't talk about the room tariff deciding strategy. According to me deciding of the room tariff is the most important thing and best way to decide from the occupancy-based pricing and the author didn't talk about this topic. So, I have decided to research on this topic.

- As discussed by Mr Ahmad Makui, "Hotel pricing decision in a competitive market under, government intervention" the purpose of this study is to provide a price optimization model for competing hotels in terms of energy savings and environmental protection. This allows the state to intervene by offering reasonable rates for hotel performance. The Stackelberg model, which applies the Nash equilibrium to determine optimal hotel prices in highly competitive situations, considers governments as leaders and hotels as followers. We have formulated the government's supply function from the perspective of increasing government revenue, developing the tourism industry, and increasing hotel revenue. By calculating the government utility function, the optimal level of government tariff was determined. The results suggest that government intervention in the tourism industry involves measures that benefit tourism. In this regard, the government can help increase hotel income and tourism by reducing its profits.

#### VI. METHODOLOGY

##### a) Introduction

The study will indicate the research design, population, and sample size, sampling procedure, data collection instruments, data collection procedures, and finally data analysis and presentation.

##### b) Research design

This study will use a descriptive research design. A descriptive research design allows researchers to gather information and summarize, present and interpret data for the purpose of clarification. Therefore, descriptive approach is the best

to understand the comparative analysis between fine dining restaurants and quick service restaurants.

##### c) Study area

The study will be undertaken at Suryaa Hotel, Delhi. Suryaa Hotel is a 5-star hotel located at New Delhi in India. The study involved customers as the study participants.

##### d) Study population

The population of this study will be customers from Suryaa Hotel, New Delhi. The target population will be the customers that will be present at the hotel during collection of data. The respondents will be 70 participants from Suryaa Hotel. The participants must be proficient in English, are above 18 years old, and the participants who gave informed consent.

##### e) Sampling and Sample Size

Sampling is the procedure of choosing elements such as people or organization from a population of interest. Through the studying of a sample, researchers may impartially generalize their results on the entire population from the sample. A sampling design stipulates the population frame, sample size and its selection, as well as the process of estimating the sample size. Stratified sampling will be used to select the sample of the study. It will involve dividing the population into homogeneous subgroups and then taking a simple random sample in each subgroup. The sample size will be 50% of the target population. Therefore, the sample size will be 70 participants.

##### f) Data collection methods and Procedure

Questionnaire was prepared and participated were asked questions related to which the preferred fine dining or quick service restaurants. Questions about factors affecting their choice was asked such as, room tariff, preference, cost and value for money, the ambience.

A total of 70 participants filled the questionnaire. Likert scale was used to ask participants to rate their satisfaction of Cleanliness of quick service restaurant and fine dining restaurants, to rate the ambience of Quick Service Restaurant, and to rate their overall experience in Fine dining restaurants of Hotel Crowne Plaza Greater Noida.

##### g) Data analysis

The collected data in this study was first grouped, edited and checked for completeness. Quantitative data and descriptive statistics were used to analyse the data. The accuracy, reliability and validity of the data collected was done before the data analysis. The data collected was then analyzed and presented in graphs and pie chart along a descriptive analysis of the same findings.

## VII. CONCLUSION

From this research I have gained a lot of knowledge about how to calculate the room tariff by the hotel and how well they have implemented the rules and formulas and their strategies for deciding the room tariff.

This research has also shown us that the Hotel is concerned about the room tariff and are dedicated towards their prices of providing comfortable stay to each and every guest. The rates for hotels in the lean season are low. Prices are listed on the price list at the front desk of the hotel. Packages also have Breakfast included in the price.

I Have spoken to my Front Office Management and asked from him about what are the different strategies they use earlier while deciding the room tariff. Then he replied earlier we used to keep in mind about the festival because on the festival's hotels were not busy, nowadays hotels are getting busy. Guests expect cleanliness and they want good food as well as good service. Many Guests expect easy access to amenities and attractions. Ensuring that your facility exceeds what is generally expected will help generate great guest satisfaction feedback. As per the survey, a majority of management and people who have knowledge about how to decide the room tariff is decided on the basis of location of the hotel.

On the basis of occupancy

On the basis of competition

On the basis of star category

Weekend basis

With the help of this study, we have collected knowledge about how-to decide the room tariff in The Suryaa hotel New Delhi

The best formula for calculating the room tariff is

$$\text{ADR} = \frac{\text{NO of Rooms Sold}}{\text{Total Rooms Revenue Earned}}$$

As per the survey result, I have observed many important points which are as follows: -

- Because of the Covid 19 the price of the rooms decreases which directly affect the hotel business.
- Also while deciding the room tariff The Suryaa hotel have different standards which is followed by them
- The room tariff is decided by the management with the help of occupancy report and by the previous reports
- The minimum age of the guest who is eligible for allocating the room is 18+.

## REFERENCES RÉFÉRENCES REFERENCIAS

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