



## Practice Exam Questions – Certified Revenue Management Analyst (CRMA)

*Note: These are for practice purposes only. None of these questions will appear on the CRMA exam.*

### 1. Which of the following characteristics makes the hotel industry suitable for revenue management?

- A) Low fixed costs and high variable costs
- B) Perishable inventory and constrained supply
- C) Ability to increase inventory during high demand
- D) High labor costs with fluctuating demand
- E) Constant supply with predictable demand

*Correct Answer: B) Perishable inventory and constrained supply*

### 2. Who is considered a pioneer of revenue management and introduced the concept to the airline industry?

- A) Bill Marriott Jr.
- B) Bob Crandall
- C) Steve Wynn
- D) Bob Cross
- E) Donald Burr

*Correct Answer: B) Bob Crandall*

### 3. What key metric combines both occupancy and average daily rate (ADR) to evaluate hotel performance?

- A) CPOR
- B) Gross Profit Margin
- C) RevPAR
- D) Net Profit
- E) Total Revenue

*Correct Answer: C) RevPAR*

### 4. Which of the following is NOT a key metric used to measure hotel performance?

- A) Occupancy
- B) Average Daily Rate (ADR)
- C) Revenue Per Available Room (RevPAR)
- D) Incremental Revenue
- E) Cost Per Occupied Room (CPOR)

*Correct Answer: D) Incremental Revenue*

**5. What type of expense changes in direct proportion to the number of rooms sold?**

- A) Fixed expenses
- B) Step costs
- C) Incremental expenses
- D) Overhead costs
- E) Management fees

*Correct Answer: C) Incremental expenses*

**6. What term describes the point at which total revenue equals total costs, resulting in zero profit?**

- A) Break-even point
- B) Marginal profit
- C) Fixed cost equilibrium
- D) Step cost threshold
- E) Operating margin

*Correct Answer: A) Break-even point*

**7. What is the primary purpose of price points in hotel pricing strategies?**

- A) To match customer willingness to pay based on demand
- B) To eliminate low-paying customers during high demand
- C) To set a flat rate regardless of market conditions
- D) To avoid price transparency for competitors
- E) To maximize occupancy only during the off-season

*Correct Answer: A) To match customer willingness to pay based on demand*

**8. Which of the following describes a situation where a small change in price results in a large change in demand?**

- A) Inelastic demand
- B) Elastic demand
- C) Revenue optimization
- D) Market segmentation
- E) Price gouging

*Correct Answer: B) Elastic demand*

**9. Which pricing method ensures that rooms are sold at different rates based on customer segmentation?**

- A) Flat-rate pricing
- B) Collusion pricing
- C) Differential pricing
- D) Wholesale pricing
- E) Cost-plus pricing

*Correct Answer: C) Differential pricing*

**10. What is the term for a discount offered to customers who book well in advance?**

- A) Rate fencing
- B) Advance purchase rate
- C) Length-of-stay restriction
- D) Last-room availability

E) Value-add pricing

*Correct Answer: B) Advance purchase rate*

**11. What is the primary goal of a displacement analysis when considering group bookings?**

A) To determine group rates based on amenities

B) To calculate potential revenue loss from transient business

C) To estimate fixed costs for the group stay

D) To determine room inventory availability

E) To evaluate customer satisfaction with group stays

*Correct Answer: B) To calculate potential revenue loss from transient business*

**12. Which clause in a group contract outlines the group's responsibility to pay for a minimum percentage of the contracted room block?**

A) Cancellation clause

B) Attrition clause

C) Rate fence clause

D) Concessions clause

E) Overbooking clause

*Correct Answer: B) Attrition clause*

**13. Which of the following is a key factor used in forecasting hotel demand?**

A) Historical performance data

B) Room renovation budgets

C) Staffing schedules

D) Guest complaints data

E) Executive salaries

*Correct Answer: A) Historical performance data*

**14. What is the main difference between constrained and unconstrained demand?**

A) Constrained demand accounts for pricing strategies and inventory limitations.

B) Unconstrained demand excludes historical data.

C) Constrained demand includes external market trends.

D) Unconstrained demand includes only transient guests.

E) Constrained demand ignores group reservations.

*Correct Answer: A) Constrained demand accounts for pricing strategies and inventory limitations.*

**15. What is the primary goal of minimizing forecast errors in hotel revenue management?**

A) To maximize marketing budget accuracy

B) To improve room service efficiency

C) To ensure pricing strategy aligns with expected demand

D) To balance staff overtime costs

E) To reduce costs of cleaning unused rooms

*Correct Answer: C) To ensure pricing strategy aligns with expected demand*

**16. What term describes the number of additional reservations expected to book for a specific future date?**

- A) Booking curve
- B) Booking pace
- C) Pick-up
- D) Demand factor
- E) Wash factor

*Correct Answer: C) Pick-up*

**17. What inventory control method involves selling more rooms than the hotel's capacity to account for cancellations and no-shows?**

- A) Overbooking
- B) Product availability
- C) Hurdle rates
- D) Length-of-stay restrictions
- E) Inventory displacement

*Correct Answer: A) Overbooking*

**18. What control is used to prevent guests from booking certain low rates during periods of high demand?**

- A) Length-of-stay restriction
- B) Rate parity
- C) Price fencing
- D) Hurdle rate
- E) Dynamic packaging

*Correct Answer: D) Hurdle rate*

**19. What is the role of a Channel Management System (CMS) in hotel revenue management?**

- A) Forecasting future market trends
- B) Connecting hotel inventory to external distribution platforms
- C) Optimizing in-house guest amenities
- D) Managing fixed expenses across departments
- E) Tracking the number of no-shows and cancellations

*Correct Answer: B) Connecting hotel inventory to external distribution platforms*

**20. Which of the following is an example of an indirect distribution channel for hotels?**

- A) Hotel's official website
- B) Global Distribution System (GDS)
- C) In-person booking at the front desk
- D) Hotel's reservation phone line
- E) Loyalty program member portal

*Correct Answer: B) Global Distribution System (GDS)*

**21. Which report is generated nightly to provide key statistics like occupancy, ADR, and no-shows?**

- A) Pace Report
- B) STAR Report

- C) Channel Mix Report
  - D) Flash Report
  - E) Competitive Set Report
- Correct Answer: D) Flash Report*

**22. What key metric represents the percentage of available rooms sold during a given time period?**

- A) Average Daily Rate (ADR)
  - B) Revenue Per Available Room (RevPAR)
  - C) Occupancy Percentage
  - D) Total Revenue
  - E) Gross Profit Margin
- Correct Answer: C) Occupancy Percentage*

**23. What is a core responsibility of a revenue manager in a hotel?**

- A) Setting room service policies
  - B) Managing guest complaints and reviews
  - C) Maximizing revenue through pricing and inventory control
  - D) Overseeing housekeeping operations
  - E) Managing food and beverage profit centers exclusively
- Correct Answer: C) Maximizing revenue through pricing and inventory control*

**24. Which of the following skills is most critical for a successful revenue manager?**

- A) Proficiency in interior design
  - B) Strong analytical and data interpretation skills
  - C) Culinary expertise
  - D) Guest service coordination
  - E) Facilities maintenance oversight
- Correct Answer: B) Strong analytical and data interpretation skills*