

The logo of Galgotias University is a stylized 'G' composed of three curved, overlapping bands. The top band is yellow, the middle band is blue, and the bottom band is red. The 'G' is set against a light grey background.

Room Tariff Fixation

GALGOTIAS
UNIVERSITY

TARIFF FIXATION

- *Check-in and check-out basis*
- *Twenty-four hour basis*
- *Night basis*
- *Day basis*
- *Inclusive taxes*
- *Rule of thumb*
- *Hubbart's formula*

CHECK-IN AND CHECK-OUT BASIS

- *It is the most common way of fixation of tariff*
- *The hotel fixes a specific time usually 12.00 noon as check-out time which means the guest charging cycle begins from 12.00 noon and finishes at 12.00 noon on the next day.*
- *For a guest staying in a hotel after 12.00 noon , next day's charge may be levied.*
- *Accounting keeping is simple in this system.*

TWENTY-FOUR HOUR BASIS

- *In this system the charges of room starts from the time when the guest checks in and he has to pay for one day upto 24 hours from the time of arrival.*
- *This system is good for small and budget hotels only.*

NIGHT BASIS

- *In this system the guest is charged on the basis of number of nights that he spend in the hotel he irrespective of time of arrival.*
- *If he spends two nights he will be charged for two nights with a minimum of one day charges*

DAY BASIS

- *Sometimes a guest may stay in the hotel for a few hours only and may not spend the night in the hotel at all.*
- *In such cases where he stays only for six hours maximum hotels may charge special discounted rate and the rate is called “day rate or day use rate”.*

INCLUSIVE & NON INCLUSIVE RATES

- ***Hotels also charge room rates on the basis of meals provided or not provided along with room to the guest.***
- ***European plan: where the tariff of room includes only in the room rate for meals charged extra rate.***
- ***Continental plan: where the room tariff includes along with room rate the continental breakfast also.***
- ***American plan: where the room tariff includes alongwith room rates the English breakfast , table d'hote lunch and dinner may also include.***
- ***Modified American plan : where the room tariff alongwith room rates include English breakfast and one of the two major meals either lunch or dinner.***

RULE OF THUMB

- *Another very traditional way of charging room rate is rule of thumb.*
- *In this system “one Rupee” rate is fixed for every Rs1000/- spent on room construction cost.*
- *This is also called as ‘cost rate formula’.*

School of Hospitality

Course Code : BSCH3003

Course Name: Front Office Management



References:

- Oxford Book

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