



**Determinants of Restaurant Revenue Management;
Revenue Per Available Seat Hour (RevPASH)
Analysis for Registered Tourist Restaurants in
Colombo District**

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ABSTRACT

Revenue management is a sophisticated form of supply and demand management. Its primary focus is managing customer demand through the use of variable pricing and capacity management to maximize profitability. Most of the restaurant owners and managers are trying to increase their revenue, but they use wrong determinants to measure the revenue. This research aims to identify the determinants of revenue per available seat hour (RevPASH) in registered tourist restaurants in Colombo district. RevPASH is a performance metric in the restaurant industry. Researcher has identified two research questions and based on that two objectives were developed. Research was conducted as quantitative study and used questionnaire as a data collecting technique. Sample size was 75 registered tourist restaurants in Colombo district. Descriptive statistics and correlation analysis were used to analyse the data with the support of SPSS 22 version. Results revealed a weak positive relationship between total number of employees in restaurant, services & facilities of restaurant, centrality of the restaurant corresponding to the location and RevPASH. And also, there was no relationship between total number of covers in restaurant, restaurant grade, restaurant establishment year, restaurant refurbishment, distance to the main road from restaurant with RevPASH in registered tourist restaurants in Colombo district. According to that result, restaurant owners and managers in registered tourist restaurants in Colombo district should consider about the total number of employees in restaurant, services & facilities of restaurant and centrality of the restaurant corresponding to the location to increase the RevPASH of the restaurant.

Keywords: Revenue management, Restaurant industry, RevPASH, Performance metric