New pricing and bundling strategies

Justification: The analytics indicate low utilization of spa treatments, restaurant meals, and transport services. Yet industry best practices show ancillary income is a **key profit lever**. Hoteliers are increasingly diversifying beyond "heads-in-beds" by upselling spa, F&B, and experiences. For instance, bundling spa and dining with room rates can boost overall spend per guest while enhancing satisfaction.

Partner with **local experts (yoga instructors, chefs, artists)** to run short masterclasses right in hotel spaces. Guests can book a 2-hour session bundled with their room.

1. Couple Packages

Justification : This package targets couples on weekends by bundling rooms with spa and dining to improve ancillary service usage. The goal is to utilize high-occupancy weekends to uplift average spend per booking and reduce underutilization of spa facilities.

Metric	Assumptions
Average Package Price	₹6,000 per night (Deluxe + spa + dinner, based on ADR range ₹4.5K–6.2K)
Baseline Weekend Occupancy (Atliq Grands: Delhi)	~78%
Targeted Incremental Uptake	10% weekend bookings (~70 rooms/month)
Expected Ancillary Add-on	₹800 per booking (spa + dining + activity)
Marketing Cost	₹1.5L (digital push, package design)

Estimating Revenue Growth & ROI

Scenario	Incremental Annual Revenue	ROI	Payback Time
Best Case (15% uptake = 1050 bookings/year)	₹12L	700% = ((12 - 1.5)/1.5)*100	~2.5 months
Likely Case (10% uptake = 700 bookings/year)	₹8.4L	460% = ((8.4 - 1.5)/1.5)*100	~3 months

Worst Case (5% uptake = 350 bookings/year)	₹4.2L	180% = ((4.2 - 1.5)/1.5)*100	~4 months

2. Corporate Weekday Packages

Justification: Designed to boost low weekday occupancy through bundled value offerings for corporate guests. These packages leverage stable demand from business travelers and address midweek underperformance across properties like Atliq Seasons.

Metric	Realistic Assumption
Average Weekday Room Rate	₹4,800 (ADR for business category rooms in Mumbai)
Ancillary Add-on Value	₹500 (Wi-Fi, breakfast, meeting hour)
Baseline Weekday Occupancy	~55–60%
Conversion Uplift	10% → +150 room nights/month (1.8K/year)
Campaign Cost	₹2.2L (B2B + CRM + package design)

Revenue Gain & ROI

Scenario	Annual Revenue Gain	ROI	Payback Time
Best Case (15% lift = 2,700 nights)	₹13.5L	513% = ((13.5 - 2.2)/2.2)*100	~2.5 months
Likely Case (10% lift = 1,800 nights)	₹9L	309% = ((9 - 2.2)/2.2)*100	~3 months
Worst Case (5% lift = 900 nights)	₹4.5L	104% = ((4.5 - 2.2)/2.2)*100	~5.5 months

3. Weekend Getaway

Justification: This strategy aims to attract urban residents seeking short leisure trips by providing comfort rooms with value add-ons. It helps fill weekend room inventory while increasing platform visibility through boosted OTA presence.

Metric	Realistic Assumption
Weekend Base Rate	₹4,500 (Avg. for comfort rooms on weekends)
Add-on Value	₹600 (transport + lunch)
Weekend Capacity	~100 rooms across properties
Conversion Increase	5% lift (~20 extra room nights/weekend) = 80/month
Marketing/OTA Boost	₹1.2L (listing + paid ads)

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Revenue Uplift & ROI

Scenario	Revenue Lift/Year	ROI	Payback Time
Best Case (100 room nights/month)	₹10L	733% = ((10 - 1.2)/1.2)*100	~2 months
Likely Case (80 room nights/month)	₹8L	567% = ((8 - 1.2)/1.2)*100	~2.5 months
Worst Case (50 room nights/month)	₹5L	317% = ((5 - 1.2)/1.2)*100	~3 months

Product Optimization and Repurposing of Underperforming Services

1. Spa Service Overhaul or External Partnership

Justification : The EDA suggests low spa utilization, especially in Atliq Seasons and comfort room categories. If average utilization is <20%, the spa becomes a sunk cost.

Optimizing usage or converting the service into a **lease-based franchise model** could be more profitable.

Metric	Realistic Assumption
Current Avg Spa Usage Rate	~18% of bookings (from ancillary revenue %)
Conversion After Promotion	Uplift to 35% (with packages)
Lease Option Revenue	₹4L/month (outsourced operations)
One-time Transition Cost	₹2L (contract, legal, branding)

Scenario Analysis & ROI

Scenario	Revenue Gain/Year	ROI(Year 1)	Payback Time
Best Case (Lease + package uplift)	₹12L	500% = ((12 - 2)/2)*100	~2.5 months
Likely Case (Lease only)	₹9.6L	380% = ((9.6 - 2)/2)*100	~3 months
Worst Case (Low lease rate)	₹6L	200% = ((6 - 2)/2)*100	~4 months

2. Transport Service Elimination or Aggregator Tie-up

Justification :Transport services contribute the least to ancillary revenue. High fixed costs (vehicles, drivers, fuel) with poor utilization (~10–15%) suggest offloading or replacing them with an aggregator (Ola/Uber tie-up) is financially sound.

Metric	Realistic Assumption
Current Transport Revenue/Month	₹40K
Operating Cost (Fleet & Fuel)	₹70K
Aggregator Commission Model	Revenue share ~70%
Transition Cost	₹1.2L (depreciation & shift)

Scenario Analysis & ROI

Scenario	Annual Net Saving	ROI	Payback Time
Best Case (Full elimination + aggregator kickback)	₹9L	650% = ((9 - 1.2)/1.2)*100	~2 months
Likely Case (Partial aggregation switch)	₹6L	400% = ((6 - 1.2)/1.2)*100	~2.5 months
Worst Case (Minimal aggregator take-up)	₹3.6L	200% = ((3.6 - 1.2)/1.2)*100	~4 months

3. Meeting Room Repurposing for Co-working / Event Rental

Justification : Meeting rooms in mid-tier properties are underbooked per EDA. Transforming them into **co-working spaces** or flexible event rentals provides steady revenue through hourly or daily rentals.

Metric	Realistic Assumption
Avg. Room Usage Currently	<15% days/month
Post-repurposing Occupancy Rate	50% usage (10 days/month)
Daily Rental Rate	₹3,500
One-time Refit/Branding Cost	₹3L

Scenario Analysis & ROI

Scenario	Annual Revenue	ROI	Payback Time
Best Case (70% usage, 15 days/mo)	₹6.3L	110% = ((6.3 - 3)/3)*100	~6 months
Likely Case (10 days/month)	₹4.2L	40% = ((4.2 - 3)/3)*100	~9 months

Worst Case (5 days/month)	₹2.1L	-30% = ((2.1 - 3)/3)*100	>12 months	

Operational tweaks

1. Dynamic Housekeeping Scheduling

Justification: Housekeeping labor is typically ~20–25% of total F&B & room operating costs. Aligning staffing to actual occupied rooms (vs fixed daily rosters) can cut unnecessary hours and overtime.

Metric	Assumption
Annual housekeeping labor cost	₹60 lakhs/property
Software & training investment	₹5 lakhs (one-time)
Implementation time	1 month

Estimated Savings & ROI

Scenario	Labor Savings	Annual Benefit	ROI (Year 1)	Payback
Worst-Case (5% savings)	₹3 lakhs	₹3 lakhs	(3–5)/5 = 60%	2.0 years
Most Likely (15% savings)	₹9 lakhs	₹9 lakhs	(9–5)/5 = 180%	0.6 years (7 months)
Best-Case (25% savings)	₹15 lakhs	₹15 lakhs	(15–5)/5 = 300%	0.3 years (4 months)

2.Ancillary Upsell via Triggered Pre-Arrival Emails

Justification: Targeted emails 3–5 days before arrival promoting F&B, spa, and local experiences can lift ancillary spend by 10–20%. CRM/email automation platforms are now low‑code.

Metric	Assumption
Daily arrivals (avg)	30 guests
Avg ancillary spend per guest	₹1,000
Email platform & content dev.	₹3 lakhs
Annual email operations cost	₹1 lakh

Uplift & ROI

Scenario	Uplift	Annual Benefit	ROI (Year 1)	Payback
Worst‑Case (5% uplift)	₹5 per guest	₹54 thousand	(0.054–0.04)/0.04 = 35%	1.9 years
Most Likely (12% uplift)	₹12 per guest	₹1.3 lakh	(1.3–0.04)/0.04 = 325%	0.3 years (4 months)
Best‑Case (20% uplift)	₹20 per guest	₹2.2 lakhs	(2.2–0.04)/0.04 = 550%	0.15 years (2 months)

- New revenue line (class fees), better weekday utilization of conference rooms, and deeper brand engagement.

3. Flexible Room-Type Repurposing

Justification: Underutilized suites or meeting‑rooms during off-peak can be repurposed as day‑use co-working spaces or micro-events rooms, generating incremental revenue without capex.

Repurpose under-used kitchen capacity to produce delivery-only meals under a hotel-branded cloud-kitchen on apps like Zomato/Swiggy.

- Incremental food revenue, higher kitchen staff utilization, cross-sell to guests on-site.

Metric	Assumption
Available off-peak hours	200 hours/month
Potential day-use rate	₹1,500/hour
Minimal setup cost	₹2 lakhs (one-time)

Revenue Gain & ROI

Scenario	Utilization	Annual Revenue	ROI (Year 1)	Payback
Worst‑Case (20 hrs/month)	20 hrs×₹1,500×12	₹3.6 lakhs	(3.6–2)/2 = 80%	0.6 years
Most Likely (50 hrs/month)	50 hrs×₹1,500×12	₹9 lakhs	(9–2)/2 = 350%	0.22 years (3 months)
Best‑Case (100 hrs/month)	100 hrs×₹1,500×12	₹18 lakhs	(18–2)/2 = 800%	0.11 years (1.3 months)