**CHAPTER 2**

**FEASIBILITY STUDIES OF A HOTEL RESERVATION SYSTEM**

The feasibility study of the proposed system has the main objective of assessing the viability of developed plan and whether the proposed system will be successful or not in Cameroon. With regards to the project (Hotel Reservation System), feasibility study for the proposed system is crucial to determine if the project is worth pursuing and this was done by analyzing certain aspects that is: the commercial feasibility study, the technical feasibility study and the financial feasibility study.

**SECTION 1: COMMERCIAL FEASIBILITY**

1. **COMMERCIAL FEASIBILITY STUDY**

The commercial feasibility study for the proposed system deals with evaluations made on the project's potential market viability and financial prospects. Haven observed that there are not yet many hotel reservation websites in Cameroon after brief research, we found that the proposed system will be of great benefit as it will help hotels in Cameroon to advertise their hotels and to maximize their revenue by offering potential guests the right price at the right time, enticing these guests to make reservations directly on our website.

1. **Marketing Strategy:** Like every business, a marketing strategy has to be established to facilitate the buying and selling of its services or products. To this note, we have outlined below some marketing strategies for our proposed system which will increase visibility, attract potential customers, and convert visits into bookings.

* **Social Media Marketing**

**Engaging Content**: We intend to share visually appealing and engaging content such as images, videos, and stories showcasing hotels, destinations, and travel experiences.

**Influencer Partnerships**: Collaborating with travel influencers and bloggers through authentic reviews and recommendations will be a good strategy to promote our reservation system.

**Community Engagement**: Actively engaging with the audience by responding to comments, messages, and reviews on social media platforms will also be a great strategy.

* **Search Engine Optimization (SEO)**

Optimizing the website by creating Google My Business listings, using keywords related to hotel reservations, booking systems, and specific locations that potential customers use when searching for hotel reservations will attract traffic on the website. Quality contents are made by creating informative and engaging contents such as blog posts, guides, and articles related to travel, destinations, and hotel booking tips to improve visibility in search result.

* **Mobile Optimization:** It is no news that a great number of people use smartphones to perform many activities including booking online. To this, we intend to develop a mobile app in the long run and of course ensure it is mobile-friendly and provides a seamless booking experience across all devices. This will make hotel reservation process even more convenient for users from any part of Cameroon and the world.
* **Pay-Per-Click (PPC) Advertising:** Pay-Per-Click is a digital marketing strategy where advertisers pay a fee each time their ad is clicked. It is a way to buy visits to a website rather than attempting to earn those visits organically. Some of the key Pay-Per-Click that shall be used in the marketing strategy are as follow.

**Google Ads:** The use of search ads to target keywords related to hotel bookings. Utilize display ads to reach potential customers across various websites.

**Retargeting Campaigns:** Target users who have previously visited our website but did not complete a booking with personalized ads to bring them back.

**Social Media Ads:** Run targeted ad campaigns on platforms like Facebook, Instagram, LinkedIn, and Twitter to reach a broader audience.

* **Affiliate Marketing**

**Partnering with Affiliates:** Working with travel bloggers, websites, and influencers through affiliate marketing programs to promote our reservation website.

**Commission Structure:** Offering competitive commissions to affiliates for bookings generated through their referrals.

* **Online Reviews and Reputation Management**

Encourage Reviews by asking satisfied customers to leave positive reviews on our website; and prominently showcasing customer testimonials and reviews on the website and marketing materials will promote an increase in the visit of the website and to make hotel reservations through our website.

**SECTION 2: TECHNICAL FEASIBILITY**

The technical feasibility of a hotel reservation software in Cameroon depends on several factors, including infrastructure, technology stack, local expertise, regulatory compliance, localization, system integration, user experience, and support services. In order to ensure the successful implementation and operation of the proposed system I the Cameroon market, these factors have to be thoroughly assessed and addressed.

1. **Required Infrastructure**

* **Internet Connectivity** will be taken from:

CAMTEL (Cameroon Telecommunication) – The major Internet Service Provider (ISP) in the country as it is the state company and holds the exclusive deployment of optical fiber in Cameroon so he is the one providing internet connection to all others ISP’s operating in Cameroon. They operate through a range of services which include: connection to a landline, mobile phone, modem stick and modem.

Orange and MTN Cameroon – These are mobile phone companies, their services operate through mobile Internet modems and USB (live box for Orange Cameroon), wireless access services (Hotspot for MTN CAMEROON). They are still "ISP intermediaries" because their internet connection is provided to them by CAMTEL even though many Cameroonians subscribe to them for internet connections.

* **Power Supply:** It is gotten from ENEO which stands for Energy of Cameroon, the main power supply structure in Cameroon presently. Backup generators shall equally be used so as to ensure continuous operation.

1. **Technology Stack**

Software development tools used in building the hotel reservation system:

* Programming languages - Python
* Frameworks – Visual Studio Code, GitHub
* Database – PHP
* Security – SSL (Secure Socket Layer) is integrated for data encryption of every sensitive data for the users of the system; authentication and authorization method implemented as an additional security measure.

1. **Technical Support and Maintenance**

* **Customer Support:** A robust technical support services, including troubleshooting, updates alongside a regular support to address issues promptly and minimize downtime shall be implemented.
* **Maintenance:** Regular software maintenance, updates, and security patches shall be made in order to keep the system running smoothly and securely.

1. **User Experience**

* Mobile Optimization: Optimize the software for mobile devices, considering the high usage of smartphones for internet access in Cameroon.
* Develop a responsive design or a dedicated mobile app for ease of use.
* User Interface: Design a user-friendly interface that accommodates the technological proficiency of the target users, including hotel staff and customers.

1. **Localization and Customization**

* Language Support: A plugin has been added to the system so as to enable all users of the system to navigate through the system with their desired language by so doing offering a good user experience.
* Customization: Users are given the possibility to make payments through a precise variety of international payment gateways including local payment gateways like mobile money payment gateways.

**SECTION 3: FINANCIAL FEASIBILITY**

Assessing the financial feasibility of our hotel reservation website involves evaluating the costs, potential revenue, and financial risks associated with developing, launching, and operating the site.

1. **Cost Assessment**

|  |  |
| --- | --- |
| Fixed Cost | Estimated Cost (XAF) |
| * Computer * Taxes * Subscription fees * Maintenance and Support * Data Security * Server * License * Infrastructure | * 300000 * 20000 * 30000 * 1000000/year * 50000 * 100000/year * 25000/year * 150000 |
| Variable Cost | Estimated Cost (XAF) |
| * Training * Development Resources * Power supply * Testing * Miscellaneous | * 250000 * 500000 * 70000 * 100000 * 500000 |
| Total cost (fixed cost + variable cost) |  |

1. **Analysis of the operating account**

|  |  |
| --- | --- |
| Operating Expenses | Estimated Cost (XAF) |
| * Fixed Cost + Variable Cost | * 6000000 |
| Depreciation | Estimated Cost (XAF) |
| * Computer * Hardware | * 300000 * 500000 |