

# Opening a Five-Star hotel in A Coruña

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# Background

## Market's background

- There is only a 5-stars hotel in the city
- A Coruña's tourism type: Business & MICE
  - Importance of services/venues located around the accomodation

## Our proposal: Build a new 5-star hotel within the next 12 months

- Good opportunity for hotel chains / stakeholders
  - Small competition
  - Great visibility
  - Bigger portfolio
- Good opportunity for local authorities
  - Free advertisement
  - Employment

# Data

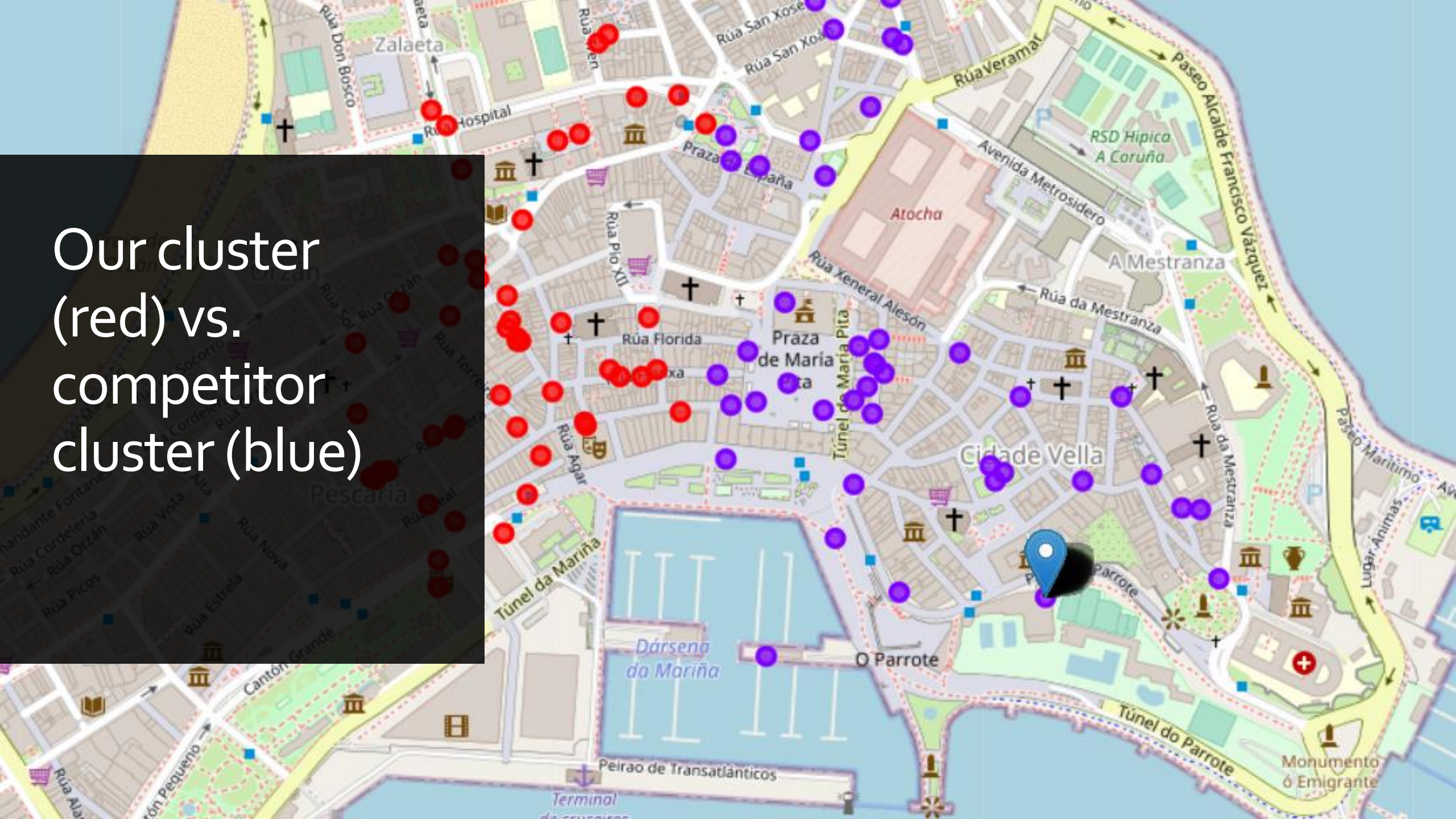
## Sources

- Get hotel's location
  - Foursquare
- Get to know our competitor
  - Instituto Galego de Estadística:
  - Turismo da Coruña
- Renting the property
  - Idealista
- Construction cost
  - Hotel News Resource

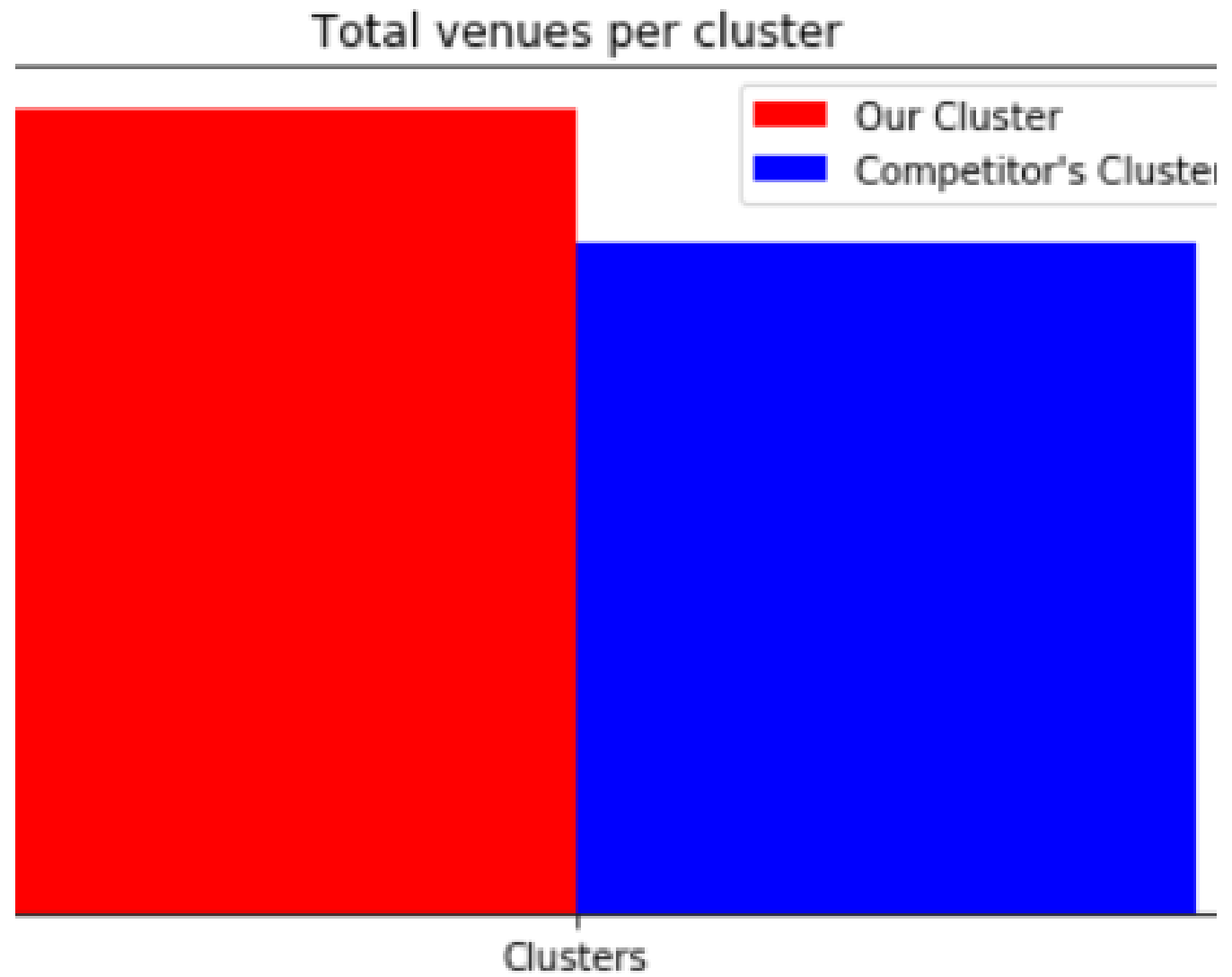
## Formatting

- Remove unnecessary data from the data frames
- Unify data language from all datasets to English
- Simplify data and get more accurate results

Our cluster  
(red) vs.  
competitor  
cluster (blue)

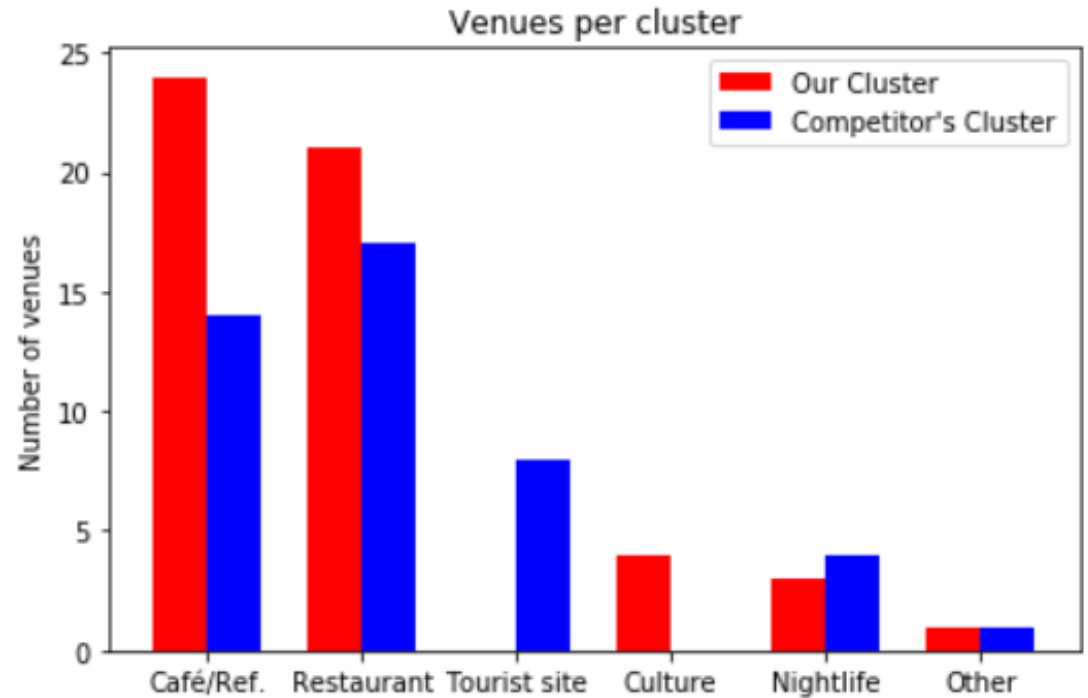


Our cluster  
(red) vs.  
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# Our cluster (red) vs. competitor cluster (blue)

- More total venues than our competitor
- We lack tourist sites but we compensate with culture sites





Year	Occupancy Rate
2014	57.60%
2015	60.30%
2016	62.10%
2017	61.70%
2018	60.20%

## Competitor's occupancy history (yearly)

Market is stable: We can be accurate about the number of rooms we will need

Month	2017	2018	2019
January	29.20%	33.40%	35%
February	34.10%	38.90%	39.10%
March	39.10%	41.30%	39.60%
April	50.80%	47.30%	48.20%
May	43.10%	46.70%	53.30%
June	51.70%	52.80%	56.10%
July	71.80%	70.30%	71.60%
August	82.30%	83%	83%
September	58.40%	57.50%	61.30%
October	50.30%	50.40%	53.30%
November	42%	48.50%	45.20%
December	37.50%	42.20%	43.40%

## Competitor's occupancy history (monthly)

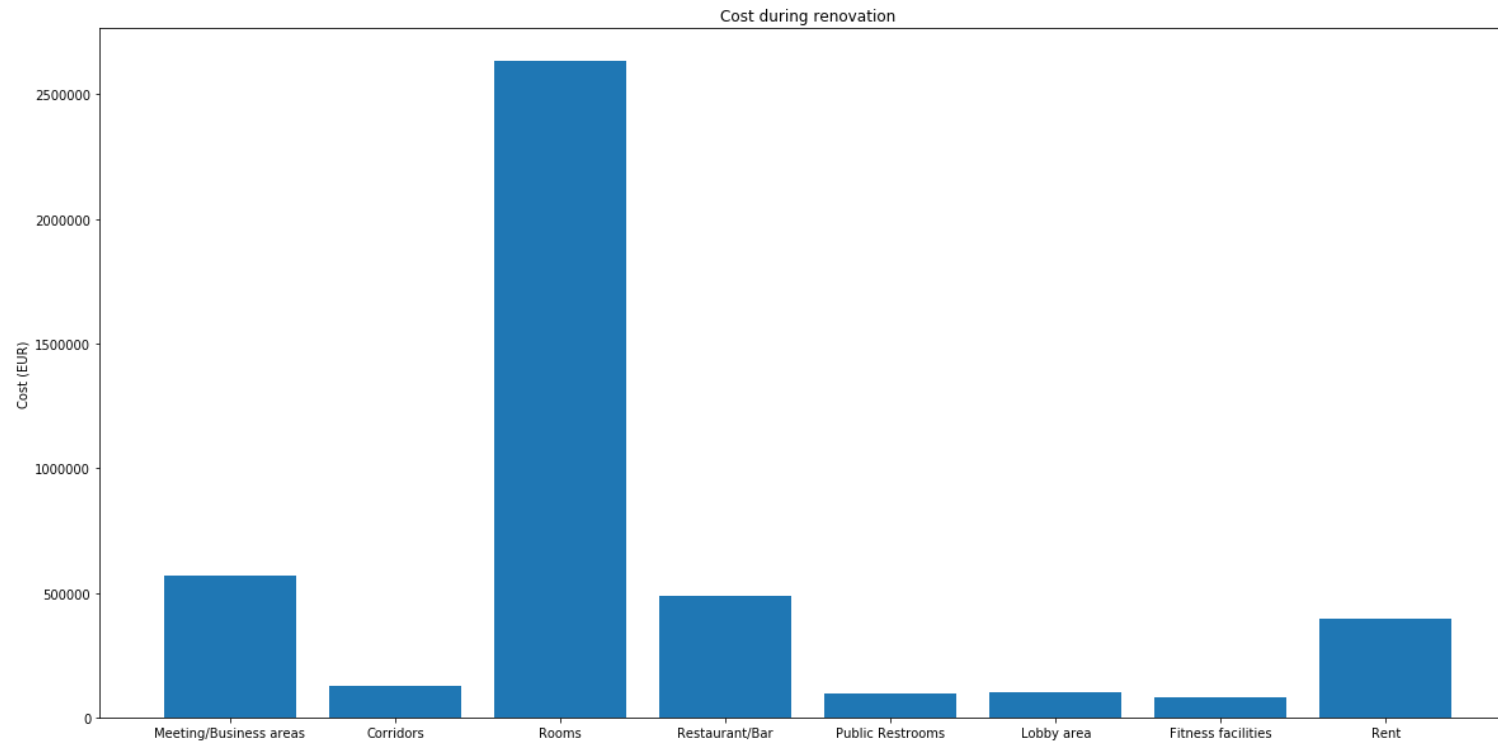
Maximum rooms needed is 83% of our competitor's total number of rooms.



Common Areas	Size (SqMtr)
Victoria	441
Miramar	180
Mindanao	98.26
Isla	83.43
Finisterre	85.36

## Competitor's common areas

Will help us determine, together with the rooms, the total size needed for our hotel.



Project's total cost: 4,491,400.20 EUR



Follow up needed by acquirer's  
revenue management department

Determine time of ROI  
Average daily rate  
Pricing strategy



Better occupancy rate than our  
competitor:

Lower maintenance costs  
Lower staff costs  
Lower rent  
More attractive for investors

## Discussion and conclusion