

Ride on Hotel California

A hotel wants to install an amusement park in the premises. What is your take on the same?

CASE TYPE

Market Entry

COMPANY NAME

Alvarez and Marsal





Ride on Hotel California



How would rollercoasters work in a hotel?

Problem Statement

A hotel wants to install an amusement park in the premises. What is your take on the same?

Case Overview

CASE TYPE

Market entry

COMPANY NAME

Alvarez and Marsal

ROUND

Manager Round

DIFFICULTY



CLARIFYING QUESTIONS ASKED

What has been the history of the hotel, Locations where it is functioning. Other amusement/waterparks that are present nearby?

What is the main objective of setting up the park? What are the additional revenue streams that it is bringing?

Case Approach



STEP 1

Calculated increase in tariff needed to reach a break even point to cover the costs from setting up the park and affect on revenue.



STEP 2

Covered aspects of space, accessibility, technology, maintenance and required personnel.



STEP 3

Delved deeper into revenue uncertainty, accident risks, brand dilution etc.



STEP 4

Added advantage over competitors in terms of bookings, additional traction from non-residents.