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**Executive Summary**

Since [2015], [Mandy's Motel] remains to be one of the most trusted hospitality establishments in Anchorage, Alaska. However, a common complaint among its guests is that it lacks its own food and beverage service. The motel aims to answer this persistent demand by opening a diner where the guests can eat. It will also deliver orders straight to their rooms.

Aside from this, the company aims to develop its business through improvements in brand marketing and expansion to other target market segments carrying huge revenue potential.

**Company Overview**

Owned and operated by Amanda Foot, and assisted by her [6-member] family, [Mandy's Motel] has served more than [20,000] locals and tourists in its [4 years] of business. Its facilities include an open parking space, telephone and fax, and a free Wi-Fi connection. Nearing its [5th year], [Mandy's Motel] plans to open a diner auxiliary to the motel so it can finally provide food and beverages to its guests.

**Mission Statement**

[Mandy's Motel] is committed to providing its guests with the most comfort and convenience possible during their stay at Anchorage.

**Core Values/Philosophy**

[Mandy's Motel] upholds honesty, respect, and friendly service in conducting business with its guests.

**Vision**

[Mandy's Motel] aims to be the "home away from home" of tourists visiting Anchorage.

|  |
| --- |
| **[Company] SWOT Analysis** |
| **INTERNAL FACTORS** | **EXTERNAL FACTORS** |
| **STRENGTHS** | **OPPORTUNITIES** |
| * Clean and spacious rooms; utilities in good working condition
* Small number of employees allows for better communication and better service
 | * High foot traffic in Seward Highway
* Lulu's Pie Place is offering partnership for exclusive food and beverage service
 |
| **WEAKNESSES** | **THREATS** |
| * No food and beverage service, except free coffee in the morning
* Online marketing strategies need improvement
 | * New Kimby's Drive Inn opening nearby
* Extreme weather conditions in Alaska may reduce tourist influx
 |

**Business Concept**

**Services Offered:**

Aside from basic overnight and short-time accommodation, the motel also offers the following services:

* Housekeeping
* Laundry
* Travel & Tour Arrangements

**Benefits to Clients/Customers:**

The customers of [Mandy's Motel] are mostly backpacking tourists on their way to [Alaska's nature destinations]. Over the years, motel staff have been praised for their friendliness, courtesy, and extensive knowledge on the motel's facilities and utilities and even on directions to get around the city. Its budget-friendly pricing has also ensured repeat business among a lot of travelers who visit Alaska yearly.

**Target Customers:**

With plans to open a diner within the motel premises, [Mandy's Motel] will target Anchorage locals regularly passing by Seward Highway and tourists who are particular about having a dining place in or near their motel. The motel also aims to expand its market to include family vacationers in the winter season.

**Market Analysis**

**Trends**

Tourism continues to be a driving economic force in Alaska, as the number of incoming visitors has increased by [26%] over the last [5 years]. Cheap short-stay accommodations in Anchorage is still widely popular among backpackers. Family travel is also on the rise, especially during the winter season. Budget-friendly establishments are quick to make bundled offers that include services and facilities suited to the needs of a traveling group with children and elderly in tow.

**Market Size and Revenue Potential**

An estimated [2 million] tourists are expected to visit Alaska this year. The backpacker demographic comprises [57.67%] of this number, while cruise ship passenger arrivals account for [33%]. The rest of the tourist market in the state is either here for business or for a family vacation. The latest economic report on Alaska's tourism industry indicates that revenue potential brought by these tourists may reach [$3.5] million by the end of [2020]. This is an advantage to Alaska's hospitality industry, which is expected to capture at least [50%] of this tourism-driven revenue.

**Competition**

Within the Anchorage area, [Mandy's Motel] closely competes with [Johnson Bed & Breakfast] and [The Hush Lodge].

**Competitive Analysis**

|  |  |  |
| --- | --- | --- |
| **Company Name** | **Location** | **Auxiliary Services** |
| Mandy's Motel | * Strategically located in Seward Highway with high foot traffic
 | * Has laundry and housekeeping but no food and beverage
 |
| Johnson Bed & Breakfast | * In central Anchorage, near the city's museums and downtown scene
 | * Complete service suite, but serves breakfast only
 |
| The Hush Lodge | * Located in Glenn Highway, entrance to Mt. Baldy Trailhead
 | * DIY laundry, basic housekeeping, food and beverage in packed meals
 |

**Strategic Key Performance Areas (KPAs), Goals, and Objectives**

**Legend:**

**Definition of Priority Levels**

**Priority Name Definition**

**High** Low Cost, High Impact
**Normal** Average Cost and Impact
**Low** High Cost, Low Impact

**Definition of Status**

**Ongoing** - The activity is on track/on schedule.

**At Risk** - There are issues facing the activity, but can still be resolved.

**On Hold** - A serious issue needs to be resolved before the activity can continue.

**Done** - Accomplished

**KPA: Food and Beverage**

Goal: Provide food and beverage services to guests beginning [Q3] of [2019].

Objective: Partner with Lulu's Pie Place in opening an all-day diner at the motel premises.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Items** | **Responsibility** | **Target Date** | **Status** | **Priority** |
| 1. Meet with the owner of Lulu's Pie Place and negotiate on exclusive service terms | Owner | [January 27, 2019] | Done | High |

**KPA: Customer Demographic**

Goal: Expand customer demographic to increase revenue potential

Objective: Acquire at least [10] family vacationers with an average number of [4 members] per family during the fall and winter seasons

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Items** | **Responsibility** | **Target Date** | **Status** | **Priority** |
| 1. Formulate price bundling strategies for group travelers.  | OwnerMarketing Officer | [June 2019] | On Hold | Normal |

**KPA: Branding**

Goal: Establish [Mandy's Motel] as the number one budget motel for backpackers and group travelers in Alaska

Objective: Revamp current marketing strategies to include better SEO capacities

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Action Items** | **Responsibility** | **Target Date** | **Status** | **Priority** |
| 1. Hire online marketing consultant | Owner | [March 1, 2019] | At Risk | Low |

**Management Team**

Amanda Foot, the registered owner/operator of [Mandy's Motel], also acts as the company's business and finance manager. The motel is run exclusively by the Foot family. Sales and marketing functions are handled by her sister, Anna Foot, while her brothers and cousins handle the motel's operations, maintenance, and repair.

**Financial Details**

|  |
| --- |
| **[Mandy's Motel]** |
| **Balance Sheet** |
| [USD $] |
|  | **[2018]** | **[2019]** |
| **Assets** |  |  |
| Current Assets: |  |  |
| Cash | 848,300 | 869,500 |
| Accounts Receivable | 27,400 | 28,650 |
| Prepaid Expenses | 30,000 | 40,000 |
| Inventory | 75,000 | 100,000 |
| Total Current Assets | 980,700 | 1,038,150 |
|  |  |  |
| Property & Equipment | 200,000 | 400,000 |
| Goodwill | 300,000 | 500,000 |
| **Total Assets** | **1,480,700** | **1,938,150** |
| **Liabilities** |  |  |
| Current Liabilities: |  |  |
| Accounts Payable | 297,650 | 347,800 |
| Accrued Expenses | 37,890 | 57,890 |
| Unearned Revenue | 14,370 | 25,000 |
| Total Current Liabilities | 349,910 | 430,690 |
|  |  |  |
| Long-Term Debt | 200,000 | 450,000 |
| Other Long-Term Liabilities | 50,000 | 150,000 |
| **Total Liabilities** | 599,910 | 1,030,690 |
|  |  |  |
| **Shareholders' Equity** |  |  |
| Equity Capital | 500,000 | 500,000 |
| Retained Earnings | 380,790 | 407,460 |
| **Shareholders' Equity** | **880,790** | **907,460** |
| **Total Liabilities & Shareholders' Equity** | **1,480,700** | **1,938,150** |

|  |
| --- |
| [Mandy's Motel] |
| **Cash Flow in [USD $]** |
|  | For the Year Ending | [12-31-2018] | [12-31-2019] |
|  | Cash at Beginning of Year | 400,000 | 450,000 |
|  | Cash at End of Year | 848,300 | 869,550 |
|  |  |  |  |
| **Operations** |  | **[2018]** | **[2019]** |
| Cash receipts from |  |  |
|  | Customers | 570,000 | 595,000 |
|  | Other operations | 30,000 | 32,000 |
| Cash paid for |  |  |  |
|  | Inventory purchases | -70,000 | -75,000 |
|  | General operating and administrative expenses | -5,000 | -5,000 |
|  | Wage expenses | -60,000 | -65,000 |
|  | Interest | -5,700 | -5,950 |
|  | Income taxes | -6,000 | -6,500 |
| Net Cash Flow from Operations | 453,300 | 469,550 |
|  |  |  |  |
| **Investing Activities** |  |  |
| Cash receipts from |  |  |
|  | Sale of property and equipment |  |  |
|  | Collection of principal on loans | 50,000 | 10,000 |
|  | Sale of investment securities | 0 | 0 |
| Cash paid for |  |  |  |
|  | Purchase of property and equipment | -30,000 | -30,000 |
|  | Making loans to other entities | 0 | 0 |
|  | Purchase of investment securities |  |  |
| Net Cash Flow from Investing Activities | 20,000 | -20,000 |
|  |  |  |  |
| **Financing Activities** |  |  |
| Cash receipts from |  |  |
|  | Issuance of stock | 0 | 0 |
|  | Borrowing | 60,000 | 30,000 |
| Cash paid for |  |  |
|  | Repurchase of stock (treasury stock) |  |  |
|  | Repayment of loans | -35,000 | -10,000 |
|  | Dividends | -50,000 | -50,000 |
| Net Cash Flow from Financing Activities | -25,000 | -30,000 |
|  |  |  |  |
| Net Increase in Cash | **448,300** | **419,550** |
|  |  |  |  |
|  | Cash at End of [Year] | 848,300 | 869,550 |