AXISROOMS

Hotel Business Plan Sample & Template for Sri Lanka

Plan your hotel concept, costs, operations, revenue, and growth strategy.

Includes a fictional hotel business plan sample + practical planning templates

SAMPLE PLAN

PLANNING TEMPLATES

BUSINESS PROPOSAL

For aspiring hotel owners, independent hoteliers, and hospitality investors

2026 EDITION

Turn Your Hotel Idea Into a Structured Business Plan

A strong hotel business plan connects your property idea with the market, operating costs, revenue assumptions, and growth strategy behind it.

This workbook combines a hotel business plan sample with practical planning templates so you can see how each section works before building a plan for your own property.

What's Inside

- ✓ Executive summary framework
- ✓ Hotel concept and positioning plan
- ✓ Market and competitor analysis
- ✓ Marketing and distribution planner
- ✓ Operations and staffing plan
- ✓ Startup and monthly cost worksheets
- ✓ Pricing and revenue strategy
- ✓ Financial projection framework
- ✓ Risk and contingency plan
- ✓ Growth milestones
- ✓ One-page hotel business proposal
- ✓ Final business plan checklist

How to Use This Template

01

UNDERSTAND

Read "What to Include" to understand the purpose of each business plan section.

02

REVIEW

Use Serendib Coast Villa to see how a fictional Sri Lankan boutique property could structure its plan.

03

PLAN

Complete the "Your Hotel" fields using your own property, destination, research, costs, and financial assumptions.

Important: This template is a planning resource and does not replace legal, tax, investment, accounting, or financial advice. Verify regulatory and financial requirements with the relevant Sri Lankan authorities and qualified professionals.

Meet the Sample Hotel: Serendib Coast Villa

Throughout this template, we use one fictional hotel to show how the different parts of a business plan can connect.

SERENDIB COAST VILLA

PROPERTY TYPE
Boutique villa

LOCATION
Southern Sri Lanka

ROOMS
12

TARGET GUESTS
International leisure travelers

POSITIONING
Experience-led coastal stay

PRIMARY CHANNELS
Direct + selected OTAs

The Sample Concept

Serendib Coast Villa is imagined as a 12-room boutique coastal property designed for international leisure travelers seeking a smaller, locally connected stay.

Its proposed guest experience combines comfortable accommodation with destination-led recommendations, locally inspired breakfast, and optional experiences arranged through selected local partners.

Rather than competing as a large resort, the fictional property is positioned around personal service, coastal character, and a more intimate stay experience.

- PERSONAL SERVICE
- COASTAL CHARACTER
- DESTINATION DISCOVERY

⚠️ **SAMPLE PROPERTY NOTICE**

Serendib Coast Villa is a fictional hotel created for illustrative purposes. All property details, costs, revenue figures, and financial projections in this template are sample assumptions only and should not be treated as market or investment benchmarks.

1. Executive Summary

WHAT TO INCLUDE

Your executive summary gives readers a concise overview of the hotel business. Summarize the concept, location, room inventory, target guests, positioning, revenue model, funding needs, and key business goals.

Although it appears first in the plan, it is often easier to finalize this section after completing the rest of your business plan.

SAMPLE: SERENDIB COAST VILLA

Serendib Coast Villa is a proposed 12-room boutique villa in Southern Sri Lanka, positioned for international leisure travelers seeking a smaller, experience-led coastal stay.

The property will generate revenue primarily through room bookings, with selected ancillary income from airport transfers and locally arranged guest experiences. Its distribution strategy will combine a direct hotel website with selected online travel agencies suited to its target markets.

The business will focus on building a differentiated coastal identity, maintaining disciplined operating costs, and increasing the contribution of direct bookings as brand awareness grows.

All financial assumptions used in this sample are illustrative.

YOUR HOTEL

HOTEL NAME

PRIMARY TARGET GUEST

LOCATION

HOTEL POSITIONING

PROPERTY TYPE

MAIN REVENUE SOURCES

NUMBER OF ROOMS/UNITS

ESTIMATED INVESTMENT REQUIREMENT

LKR ______________

PRIMARY BUSINESS OBJECTIVE

Write Your Executive Summary

Quick Check: Does your executive summary clearly answer: What are you opening? Who is it for? Why will guests choose it? How will it generate revenue?

2. Hotel Business Description

WHAT TO INCLUDE

This section explains what your hotel will offer and how it will be positioned. Define the property type, room inventory, facilities, guest experience, ownership or operating model, and unique selling proposition.

Avoid describing your hotel as simply "comfortable," "luxurious," or "the best." Explain what makes the stay meaningfully different for your target guest.

SAMPLE: SERENDIB COAST VILLA

Property concept: A small boutique coastal villa offering an intimate alternative to larger resort accommodation.

Room inventory: 12 guest rooms across selected room categories.

Core experience: Personalized service, coastal surroundings, locally inspired breakfast, and curated recommendations for exploring the destination.

Target guest: International leisure travelers, primarily couples and independent travelers looking for smaller experience-led accommodation.

Positioning statement: A relaxed boutique coastal stay that connects international travelers with the character and experiences of Southern Sri Lanka.

Primary differentiator: A smaller guest experience built around personal service and destination discovery rather than large-scale resort facilities.

POSITIONING ANATOMY

PROPERTY

↓

GUEST

↓

NEED

↓

DIFFERENTIATOR

YOUR HOTEL CONCEPT

Planning Area	Your Hotel
Property type	
Number of rooms/units	
Room categories	
Main facilities	
Core guest experience	
Target guest	
Unique selling proposition	
Ownership/operating model	

Complete Your Positioning Statement

[Hotel name] is a [property type] in [location] designed for [target guest] who want [guest need or experience]. Unlike [main alternative], the property focuses on [key differentiator].

YOUR POSITIONING STATEMENT:

3. Market and Demand Analysis

WHAT TO INCLUDE

Market analysis tests whether there is realistic demand for your hotel concept. Research your destination, target guests, travel seasons, source markets, demand drivers, and competing properties.

The goal is not to prove that "tourism is growing." Your plan needs to explain why guests would book your specific property in your chosen location.

SAMPLE: SERENDIB COAST VILLA

Serendib Coast Villa will focus on international leisure travelers visiting Southern Sri Lanka for coastal holidays and destination experiences.

The fictional hotel's demand analysis would examine: International source markets relevant to the destination • Seasonal changes in leisure demand • Average booking windows and stay patterns • Comparable boutique villas and independent hotels • Guest review themes across competing properties • Demand for smaller, experience-led accommodation • Local attractions and transport access

The property would compare itself with hotels serving a similar guest and price position, rather than benchmarking only against large resorts.

YOUR TARGET MARKET

PRIMARY GUEST SEGMENT

SECONDARY GUEST SEGMENT

KEY SOURCE MARKETS

MAIN TRAVEL PURPOSE

TYPICAL BOOKING WINDOW

EXPECTED PEAK PERIODS

EXPECTED SOFTER-DEMAND PERIODS

KEY DESTINATION DEMAND DRIVERS

Competitor Analysis

Competitor	Property Type	Target Guest	Key Strength	Opportunity/Market Gap

Market Analysis Question: What evidence suggests your target guest will choose this location and property concept?

4. Marketing and Distribution Plan

WHAT TO INCLUDE

Your marketing and distribution plan explains how travelers will discover your hotel and how they will book it.

Separate visibility from distribution. Social media and destination content may create interest, while OTAs, travel partners, and your direct booking website convert demand into reservations.

YOUR HOTEL

Direct Website	OTAs	Google
Guest Reviews	Destination Content	Travel Partners

SAMPLE: SERENDIB COAST VILLA

Direct: Website + booking path

OTAs: Selected channels

Google: Accurate discovery presence

Reviews: Build social proof

Content: Capture destination research

Partners: Relevant trade relationships

YOUR CHANNEL PLAN

Channel	Target Guest	Role in Distribution	Target Contribution
Direct website			
OTA 1			
OTA 2			
Travel agent/DMC			
Other			

YOUR MARKETING PRIORITIES

HOW WILL TRAVELERS DISCOVER YOUR HOTEL?

HOW WILL THEY BOOK?

WHAT WILL ENCOURAGE DIRECT BOOKINGS?

HOW WILL YOU BUILD SOCIAL PROOF?

5. Operations and Staffing Plan

WHAT TO INCLUDE

Your operations plan explains how the hotel will function each day. Map the responsibilities required across guest service, housekeeping, maintenance, food and beverage, reservations, and management.

For a small hotel, one employee may support more than one function. Build your staffing plan around operational responsibilities and service standards, not job titles alone.

SAMPLE LOGIC

As a fictional 12-room boutique property, Serendib Coast Villa would begin with a lean operating structure.

The sample staffing approach assumes that selected management and guest-service responsibilities may overlap, while specialist or non-core activities could be outsourced where appropriate.

Sample Function Requirements

Function	Sample Requirement
Property management	Daily oversight and performance review
Guest service/front office	Reservations, arrivals, departures, guest support
Housekeeping	Room cleaning and property upkeep
Food service	Breakfast and limited guest service
Maintenance	Preventive and reactive maintenance
Finance/admin	Payments, records, supplier and reporting support
Distribution/revenue	Rates, inventory, channels, and performance monitoring

YOUR STAFFING PLANNER

Department/Function	Role Required	No. of Staff	Monthly Cost Estimate	In-House or Outsourced
Management			LKR	
Front office			LKR	
Housekeeping			LKR	
F&B			LKR	
Maintenance			LKR	
Finance/admin			LKR	
Other			LKR	

ESTIMATED TOTAL MONTHLY STAFFING COST

LKR _______________

Operational Planning Questions

1. Who is responsible for reservations and rate updates?
2. Who handles guest issues outside standard hours?
3. Which functions can be outsourced without weakening the guest experience?

6. Startup Cost Plan

WHAT TO INCLUDE

Startup costs are the one-time or pre-opening expenses required to move your hotel from concept to launch.

Separate these costs from monthly operating expenses. Include a contingency rather than assuming every project will stay exactly on its initial budget.

SAMPLE: SERENDIB COAST VILLA

The following figures are fictional sample assumptions only and are included to demonstrate how startup costs can be organized.

Sample Startup Cost	Illustrative Amount
Property preparation and renovation	LKR 48,000,000
Furniture, fixtures, and equipment	LKR 12,000,000
Guest room setup and amenities	LKR 3,600,000
Kitchen and breakfast equipment	LKR 2,500,000
Technology and system setup	LKR 1,200,000
Professional and pre-opening costs	LKR 2,000,000
Branding, website, and launch marketing	LKR 1,500,000
Initial supplies and operating inventory	LKR 1,000,000
Working capital reserve	LKR 8,000,000
Contingency	LKR 7,000,000
Illustrative total	**LKR 86,800,000**

Sample assumption only. These figures are fictional and are not Sri Lankan hotel construction, renovation, or investment benchmarks.

YOUR STARTUP COST WORKSHEET

Startup Cost	Estimated Cost	Confirmed Quote?
Property/lease/acquisition	LKR	☐
Construction/renovation	LKR	☐
Furniture and equipment	LKR	☐
Room setup	LKR	☐
Technology	LKR	☐
Professional costs	LKR	☐
Registration/licensing preparation	LKR	☐
Branding and launch	LKR	☐
Initial supplies	LKR	☐
Working capital	LKR	☐

7. Monthly Operating Cost Plan

WHAT TO INCLUDE

Monthly operating costs show what it may take to keep the hotel running after opening. Include both fixed and variable expenses and consider how costs may change with occupancy.

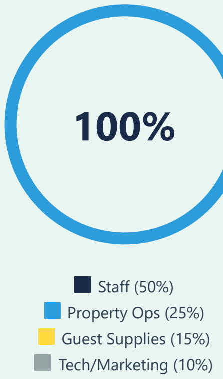
Do not build your revenue plan first and fit costs around it later. Both sides of the plan need realistic assumptions.

Sample: Serendib Coast Villa

Sample Monthly Expense	Illustrative Amount
Payroll and staff-related costs	LKR 1,350,000
Utilities	LKR 300,000
Housekeeping and laundry	LKR 180,000
Breakfast and guest supplies	LKR 250,000
Maintenance	LKR 150,000
Technology and software	LKR 100,000
Marketing	LKR 150,000
Administrative/professional costs	LKR 100,000
Insurance and other provisions	LKR 100,000
Miscellaneous reserve	LKR 120,000
Illustrative monthly operating cost	**LKR 2,700,000**

Important: Distribution costs, taxes, financing costs, depreciation, and other property-specific expenses may require separate treatment in a detailed financial model.

ILLUSTRATIVE SAMPLE COST MIX



YOUR MONTHLY COST PLANNER

Operating Expense	Fixed/Variable	Monthly Estimate
Payroll		LKR
Utilities		LKR
Housekeeping/laundry		LKR
F&B/guest supplies		LKR
Maintenance		LKR
Technology		LKR
Marketing		LKR
Distribution costs		LKR
Professional/admin		LKR
Insurance		LKR
Other		LKR
Estimated monthly total		**LKR**

8. Pricing and Revenue Strategy

WHAT TO INCLUDE

Your revenue strategy explains what the hotel will sell, how rates will change with demand, and which additional services may contribute revenue.

Avoid relying on one room rate for the entire year. Consider room categories, seasonality, booking pace, occupancy, stay patterns, and channel costs.

SAMPLE: SERENDIB COAST VILLA

For planning purposes, Serendib Coast Villa uses the following fictional room-rate assumptions.

Room Category	Rooms	Illustrative Base ADR
Coastal Room	6	LKR 32,000
Garden Room	4	LKR 38,000
Signature Suite	2	LKR 50,000

The fictional property would not treat these as fixed annual rates. Pricing decisions would be reviewed according to demand periods, booking pace, occupancy, room category, and market conditions.

ILLUSTRATIVE BLENDED ADR

LKR 37,000

Sample Assumption

PRIMARY REVENUE

Room bookings

ANCILLARY REVENUE

Airport transfers and selected experience commissions

YOUR ROOM AND RATE PLAN

Room Category	No. of Rooms	Base Rate	Peak Rate	Softer-Demand Rate
		LKR	LKR	LKR
		LKR	LKR	LKR
		LKR	LKR	LKR

YOUR REVENUE ASSUMPTIONS

TARGET OCCUPANCY

_________ %

TARGET ADR

LKR ________________

EXPECTED AVERAGE LENGTH OF STAY

_________ nights

PRIMARY REVENUE SOURCE

ADDITIONAL REVENUE SOURCES

Pricing Question: What demand signals will tell you when to review room rates?

9. Financial Projections

WHAT TO INCLUDE

Financial projections turn your hotel concept into measurable assumptions. At minimum, estimate room availability, occupancy, ADR, room revenue, operating costs, and cash-flow requirements.

A projection is not a guarantee. Its value comes from making your assumptions visible so they can be tested and updated.

Sample: Serendib Coast Villa — Illustrative Planning Assumptions

12	4,380	LKR 37K	3 Years
ROOMS	ANNUAL AVAILABLE ROOM NIGHTS	SAMPLE BLENDED ADR	PROJECTION PERIOD

Year	Occupancy Assumption	Sold Room Nights	Illustrative Room Revenue
Year 1	48%	2,102	LKR 77.8 million
Year 2	57%	2,497	LKR 92.4 million
Year 3	64%	2,803	LKR 103.7 million

Rounded figures. Illustrative sample assumptions only.

AVAILABLE ROOM NIGHTS × OCCUPANCY × ADR = ESTIMATED ROOM REVENUE

For the Year 1 sample:
4,380 × 48% × LKR 37,000 ≈ LKR 77.8 million

YOUR THREE-YEAR PROJECTION

Financial Assumption	Year 1	Year 2	Year 3
Available room nights			
Occupancy	%	%	%
ADR	LKR	LKR	LKR
Estimated room revenue	LKR	LKR	LKR
Other revenue	LKR	LKR	LKR
Estimated operating costs	LKR	LKR	LKR
Financing/other costs	LKR	LKR	LKR
Estimated cash position/result	**LKR**	**LKR**	**LKR**

Test Three Scenarios

Scenario	Occupancy	ADR	Estimated Revenue Impact
Conservative		LKR	
Base case		LKR	
Strong demand		LKR	

10. Risk and Contingency Plan

WHAT TO INCLUDE

Every hotel business faces uncertainty. A risk plan identifies events that could affect demand, costs, operations, or cash flow and sets out how the business may respond.

Focus on risks you can monitor and prepare for, rather than creating a long list of unlikely scenarios.

Sample: Serendib Coast Villa

Sample Risk	Possible Impact	Sample Response
Softer-than-expected opening demand	Lower occupancy and cash flow	Protect working capital and review channel strategy
Heavy dependence on small number of OTAs	Higher distribution risk	Develop direct demand and monitor channel contribution
Unexpected operating cost increases	Reduced margins	Review suppliers and maintain cost controls
Staffing gaps	Service inconsistency	Cross-train key roles and maintain recruitment options
Seasonal demand changes	Uneven revenue	Adjust pricing and target relevant travel segments
Maintenance disruption	Guest dissatisfaction	Maintain preventive maintenance schedules and reserves

YOUR RISK PLAN

Risk	Likelihood	Possible Impact	Early Warning Sign	Mitigation Plan
	Low/Med/High			
	Low/Med/High			
	Low/Med/High			
	Low/Med/High			
	Low/Med/High			

YOUR TOP PRIORITY RISK

THE RISK THAT COULD AFFECT MY HOTEL MOST IS:

I WILL MONITOR IT BY:

IF IT OCCURS, THE FIRST ACTION WILL BE:

11. Growth Plan and Milestones

WHAT TO INCLUDE

A hotel growth plan defines what progress should look like after opening. Set measurable priorities for operations, guest feedback, occupancy, direct bookings, revenue, and future investment.

Growth does not always mean adding more rooms. A hotel may create more value by improving pricing, strengthening direct demand, or generating better revenue from its existing inventory.

Sample: Serendib Coast Villa

FIRST 6 MONTHS

STABILIZE

- → Build operational consistency
- → Monitor guest feedback and recurring issues
- → Review OTA and direct booking contribution
- → Track occupancy, ADR, and RevPAR
- → Refine experience positioning

12 MONTHS

OPTIMIZE

- → Increase direct booking contribution
- → Review channel costs and booking value
- → Refine seasonal pricing
- → Strengthen destination content
- → Evaluate ancillary revenue performance

3 YEARS

GROW SELECTIVELY

- → Assess expansion only if supported by demand
- → Strengthen repeat and referral business
- → Review new source markets
- → Evaluate new guest experiences
- → Consider strategic partnerships

YOUR HOTEL ROADMAP

Timeline	Main Goal	KPI/Measure	Target	Action Required
First 3 months				
6 months				
12 months				
3 years				

Growth Question: What would make you invest more in this hotel—and what data would support that decision?

One-Page Hotel Business Proposal

Turn Your Full Business Plan Into a Clear Business Summary

A hotel business proposal is a concise summary of the opportunity, concept, target market, commercial model, and investment requirement behind your hotel project. Use this page to organize the core business case before adapting it for a lender, investor, partner, or other stakeholder.

HOTEL PROJECT

Hotel name: ________________________

Property type: ________________________

Location: ________________________

Room inventory: ________________________

THE OPPORTUNITY

What market or guest need does the hotel aim to serve?

THE HOTEL CONCEPT

Describe the property and guest experience in 2–3 sentences.

TARGET MARKET

Primary guest: ________________

Key source markets: ________________

Primary travel purpose: ________________

WHY THIS HOTEL?

What makes the concept different from comparable accommodation?

REVENUE MODEL

Primary revenue: ________________
Additional revenue: ________________
Target occupancy: ________ %
Target ADR: LKR ________________

DISTRIBUTION STRATEGY

Direct: ________________
OTAs: ________________
Travel partners/other: ________________

INVESTMENT REQUIREMENT

Estimated investment required: LKR ________________

Proposed use of funds:

THREE-YEAR BUSINESS GOAL

Proposal Note: *Adapt the depth, supporting data, and financial documentation according to the intended recipient. An investor proposal, bank funding application, and internal hotel plan may require different supporting information.*

Is Your Hotel Business Plan Ready?

Use this checklist before sharing your plan with a lender, investor, partner, or internal stakeholder.

HOTEL CONCEPT

- ☐ The property type and room inventory are clearly defined
- ☐ The target guest is specific
- ☐ The hotel's positioning is easy to understand
- ☐ The key differentiator is supported by the guest experience

MARKET

- ☐ Destination demand has been researched
- ☐ Relevant source markets have been identified
- ☐ Seasonality has been considered
- ☐ Comparable hotels have been reviewed
- ☐ Competitors are similar in guest and market position

OPERATIONS

- ☐ Key hotel functions are mapped
- ☐ Staffing requirements are estimated
- ☐ Monthly payroll assumptions are included
- ☐ Outsourced functions are identified
- ☐ Key operational responsibilities have an owner

COSTS & FINANCE

- ☐ Startup costs are separated from operating costs
- ☐ Working capital is included
- ☐ A contingency is included
- ☐ Occupancy assumptions are stated
- ☐ ADR assumptions are stated
- ☐ Revenue calculations can be explained
- ☐ Conservative and stronger-demand scenarios tested

MARKETING & DISTRIBUTION

- ☐ The direct booking strategy is defined
- ☐ Relevant OTAs have been identified
- ☐ Channel contribution will be measured
- ☐ Guest reviews are part of the marketing plan
- ☐ Distribution costs are considered

RISK & GROWTH

- ☐ Major risks are identified
- ☐ Each priority risk has a response plan
- ☐ 6-month and 12-month goals are defined
- ☐ Growth decisions are linked to measurable performance

FINAL CHECK

Can someone reading your plan clearly understand:

What the hotel is → Who it serves → Why guests will book → How it will operate → How it expects to earn revenue → What could go wrong → What success looks like?

☐ **YES** ☐ **ALMOST** ☐ **NEEDS MORE WORK**

AXISROOMS

A Strong Hotel Plan Needs a Smarter Commercial Foundation

A business plan can define your target guest, revenue assumptions, and distribution strategy. Once the hotel begins accepting reservations, those plans need to work across real booking channels, rates, and room inventory.

AxisRooms supports hotels with connected distribution and revenue technology built for modern hospitality operations.

BUILD YOUR HOTEL'S COMMERCIAL SETUP

OTA Integrations

Connect with relevant online travel agencies and expand your property's distribution reach.

PMS Integrations

Create a smoother flow of reservation and inventory data across connected hotel systems.

Payment Gateways

Support secure online transactions across the guest booking journey.

Channel Manager

Keep rates and availability synchronized across connected channels.

Revenue Management Services

Make more informed pricing decisions using demand, booking pace, and market insights.

Web Booking Engine

Give travelers a direct path to check availability and reserve rooms through your hotel website.

Plan the Hotel. Build the Right Distribution Strategy.

BOOK A FREE DEMO TODAY

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