



TOURISM & QUALITY OF LIFE INSPECTION SERVICES

Secret / سري

High Potential

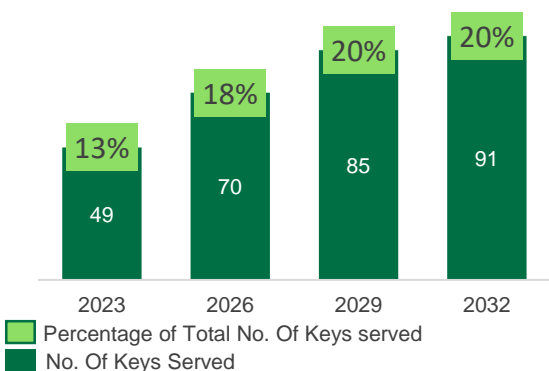
Moderate Potential

Low Potential

OPPORTUNITY'S DESCRIPTION: A company, endorsed by the Government, that focuses on Makkah and Madinah hotels and supports them in meeting the inspection criteria set by the new regulations through a well studied set of tools and approaches that will bridge the Gap between the hotels and the new criteria set to be met.

DEMAND

MARKET SIZE – NUMBER OF KEYS SERVED - (In 000s)



INVESTMENT HIGHLIGHTS

- Investment Ticket: SAR 17,408,113
- IRR: 34.6%
- NPV: SAR 13,881,916
- Payback Period: 4.8 years
- ROI: 29.8%

INVESTMENT OVERVIEW

VALUE PROPOSITION

- Hotels:**
 - Quality Assurance For Customers (Showing the Certification)
 - Clarity of criteria and standards
 - Support, coaching, and development approach
 - Offer International standard holistic training program for all the staff to ensure they have the skills and competencies to optimize quality management
- Investor:**
 - Reasonable Cash Flows: Investors will be able to generate cash flows within few years after investment. Low Competition: Inspection Services company will have lesser competition from existing players if any. Earn reasonable profits throughout the Umrah period.
- Government owner:**
 - Increase accommodation quality and thus Enriching the Pilgrim's Experience, Increase Employment Rate (At full capacity need circa 170 employees), and Enhance Government Effectiveness

KEY DEMAND DRIVERS

- Vision 2030's Target is to reach 30.0 million International Umrah Pilgrims by the year 2030
- Enriching the experience is one of the goals of the Vision 2030. Initiatives have already started and are expected to increase demand and willingness to come.
- Government Endorsement and acknowledgement will give more credibility to the company which would otherwise need a lot of marketing efforts to get to the same starting point and will help in driving demand in a faster pace.
- Primary market research shows that a satisfying hotel experience is one of the triggering factors affecting Pilgrims' decision to perform Umrah and willingness to come again.

MARKET OVERVIEW

MARKET READINESS

- Around 21.5 million Domestic and International Hajj and Umrah Pilgrims visited Makkah in 1440/2019 (2.3 Mn Hajj + 19.2 Mn Umrah).
- Vision 2030's Target of reaching 30.0 million International Umrah Pilgrims International by 2030.
- Enriching the experience is one of the goals of the Vision 2030. Initiatives have already started and are expected to increase demand and willingness to come.

GLOBAL TRENDS

- Increasingly, travelers are seeking confirmation that sustainability practices are in place (Booking.com Sustainability Report 2019). Also, increasingly, travel companies are looking for a product that is not only certified sustainable, but certified sustainable by a Certification Body that is GSTC Accredited (Trivago recommendation).

GLOBAL BENCHMARK

