

A Study of Lodging Preferences Among the Tourists in UAE with Special Reference to OYO

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Abstract

Airbnb and OYO are one of the most trending companies in the sector of hospitality industry. Make my trip (MMT), Goibibo, Trivago are also one of the major companies trending in the sector of hospitality industry. This industry concerned with providing services of food, lodging and transportation services. Due to globalization tourism is increasing day by day due to which hospitality industry is also growing. The relationship between tourism industry and hospitality industry is direct. Which means if tourism industry grows in a particular country or area then hospitality industry also tends to grow in that particular country or area. These both industries share a close relationship and rely on each other and help each other to grow up. Therefore a successful hospitality industry is totally depends on tourism management for its success.

CHAPTER I - INTRODUCTION

1.1. HOSPITALITY INDUSTRY



The hospitality industries are among the fastest growing industries in the world. The hospitality industry provides food services and accommodations in places like hotels, motels, resorts, conference centers, theme parks and amusement parks. Whereas a catering industry is mainly focused in providing food services to institutions such as schools, hospitals, or governmental organizations, private industry such as cafeterias or motion picture studios and private parties. Hospitality industry is an industry which provides broader

categories of services such as lodging, food, drink, event planning, transportation, cruise line, traveling etc. This also covers in tourism industry.

The Hospitality industry is that industry which mainly depends on leisure time basically known as free time. This is because of the fact that these industries were mostly successful in festival times or in

holiday times. Because if the person or customer has free time or he is enjoying holiday then only the customer can think of going anywhere outside the house or outside the four walls where he stays. Another factor on which hospitality industry mainly depends is disposable income. Disposable income means the extra income which is left out in the hands of customers after payment of all the expenses necessary to maintain a minimum standard of living. So if the customer or guest has disposable or extra income in his hands then only one can go for transportation and trips to amazing places. A hospitality unit like a resort, hotel or an amusement park made up of multiple facilities like maintenance, housekeepers, kitchen workers, bar tenders, management, marketing and human resources.

The root of hospitality industry lies in the western world in Rome where this is in form of social assistance to Christian saints or pilgrims. Before structuring as an industry the historical roots of hospitality was in Rome and France. The hospitality industry is one of the most Pioneering commercial organization or undertakings of this world. It is a part of the tourism industry which was a larger business incentive. This industry gives ample number of services from travel arrangements, accommodation facilities, food and beverages to leisure or free time activities that are all the requirements of a modern day traveler or tourist, who is traveling for business, pleasure, vacation, adventure, a religious purpose, medical treatment or for Honeymoon.

The hospitality industry consists of hospitality and industry. The term “Hospitality” means welcoming of people cheerfully, who are strangers or may be known to them. It is a relationship between a host and a guest. A host is a person who welcomes his guests or customers to stay in his hotel or any asset such as any bungalow or property held by him. Whereas a guest is a person who gives and provides the opportunity of being welcomed by the host who can visit for a number of purposes such as business, pleasure, vacation, adventure, a religious purpose, medical treatment or for Honeymoon. The hospitality industry comes under service industry. According to Swain and Mishra (2011) the hospitality industry or business is on the line of the culture of serving guests with love affection and care so that they feel comfortable and secured. They also had stated that hospitality is the fundamental, basic and the most important need for travellers, pilgrims, tourist and a person who travels without any aim known as wanderers. Because it gives them a strong feeling of “Home away from home”. This means although they are away from home but those feel like staying in home only because of the love affection and care and security provided by the hosts.

From the very beginning, the hospitality is considered one of the most important element in enhancing and enriching experiences of the guests through its consistent service quality. They further explain that it includes hotels, resorts, restaurants, houseboats, catering establishments, bed and breakfast facilities and services, casinos, clubs, lounges and bars.

As per British rules and regulation, a hospitality industry provides a place where an authentic and a bonafide traveller can get food, accommodation and shelter, only if he is able to pay for it, and if that place is in a fit condition to be received by the traveller. Here, the products which are sold must be perishable. A hospitality industry therefore provides commercial establishment such as accommodation, meals and other services to the guests. The services here are range from cheap (economical) to world class services.

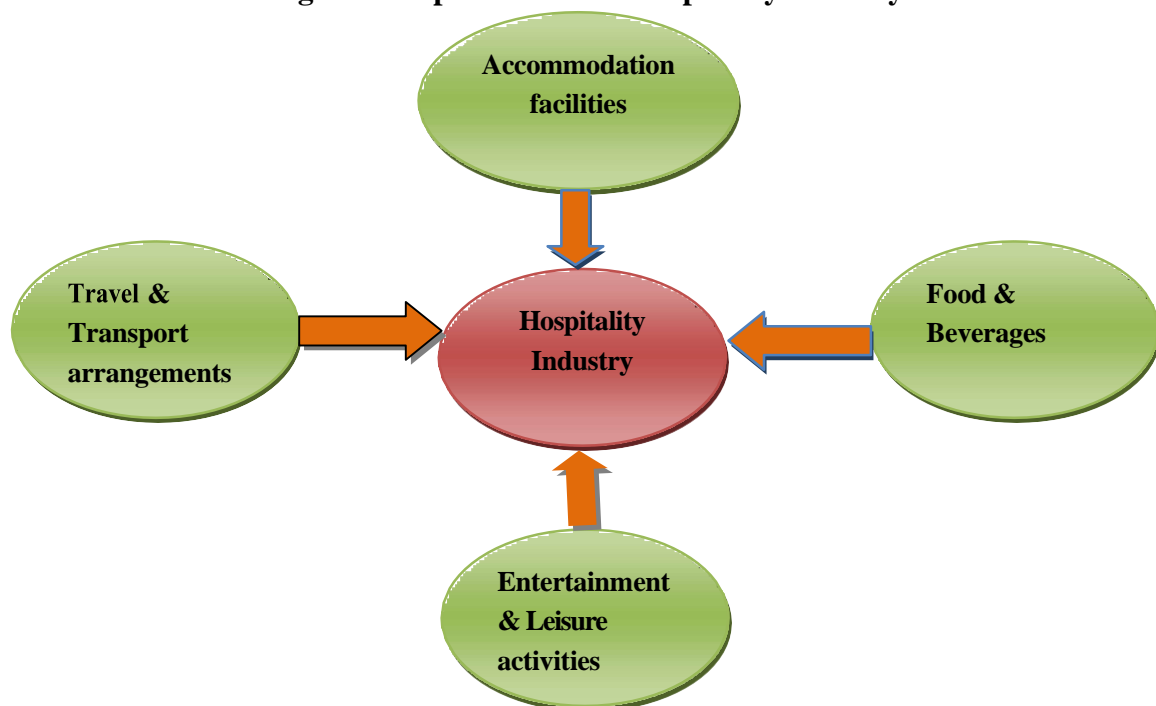
Tewari (2009) states hotel is an establishment which must have a minimum of six guest rooms three of which must be attached private bathroom facilities. In Hospitality industry hotels, resorts, restaurants, houseboats, catering establishments, bed and breakfast facilities and services, casinos, clubs, lounges and bars these are classified as per the star rating system, ranging from one star to five star, with the

facilities provided in each star increases with its numbers or in other words with the number of facilities increasing with every star. This system of classification is accepted in the whole world, and the ratings of which if given by in the countries by the government itself or given by independent rating agencies, or sometimes by the service providers themselves.

The hospitality industry is one of the largest and fast growing industries across the world, and is accompanied by ups and downs in the economy. Global terrorist incidence like terrorist attacks on the World Trade Centre (WTC) in the United States of America (USA) on 11th of September 2001, bombing in a hotel of Bali, Indonesia on 12th October 2002, a tsunami in South and South-East Asia on 26th December 2004, terrorist attacks on the Taj Mahal and Oberoi hotels in Mumbai, India on 26th November 2008, all of these incidence saw a huge amount of loss of human life and left a negative impact on the hospitality industry. In Pune city of Maharashtra near Mumbai, after the bomb blast in German Bakery in year 2010 there was a huge and massive dip in the arrivals of tourist for sometime which also shows great fall in the contributions of Hospitality Industry in the GDP (Gross Domestic Product).

The hospitality industry generates large number of employment across the globe and especially in India and in UAE directly and indirectly for example guides and escorts, suppliers and sellers of local handicrafts. It also brings huge amount of foreign exchange, as the people who travels to other countries spend their money on accommodation, transport, shopping, sightseeing etc.

Fig 1.1 Components of the Hospitality Industry



1.2. GROWTH AND DEVELOPMENT OF THE HOPITALITY INDUSTRY AROUND THE WORLD:

Simhastha Kumbh Mela Ujjain 2016



The development of the travel and tourism industry is the main factor in the origin, growth and development of the hospitality industry. As explained above, people tends to travel from one place to another for a variety of purposes and reasons from one place to another which are commercial, personal, to visit friends and relatives, for recreation, educational purpose, or some kind of religious activity like **Kumb Mela, gathering of Dawoodi Bohras in 10 days of Moharram to remember the hardship and sacrifice of their second Imam Husain A.S. with their leader and guardian 53rd Dai al mutlaq Dr. Syedna Mufaddal Saifuddin Saheb (T.U.S) popularly known as Ashara Mubarak, or to get access to health care facilities.** If people travel for only few days, also it is definitely not possible for them to carry their food and a place to shelter with them. Therefore the necessity of accommodation, food and other related services are taken care of by the hospitality industry. Therefore, a hospitality industry/services and tourism industry/services shares direct relationship with each other or in other words they are dependent on each other.



In ancient times before 17th century, the most common mode of transport for men was animals like horses and camels. For security reasons, they tends to travel in groups known as caravans; and would stay at a particular place during the night, to safeguard themselves from wild animals and being looted as well. Due to the problem of their mode of transport that is animals being tired, there were limitation on the distance that was being covered by them during the day time. Therefore a place that offers them with food, water and safety was their important necessities for the night halt.

The concept of inns and lodging houses were introduced for the travellers mentioned above. The first inns that was being traced in the history 500 years B.C. These were the first and the earliest form of hospitality service. Swain & Mishra (2011) stated that the word, “inn” is getting derived from the word “malon” specifying a resting place for the night. These lodging houses were traditionally called as taverns and inns in Europe, ryokans in Japan, dharamshalas and sarais in India, cabarets and hostelries in France, katalumas in Greece. These were created in the homes of the local people, to made their living by providing accommodation, food and other related services.



Initially Inns were usually run and managed by families, or husband- wife teams who offered large halls to travellers to sleep, in the beginning with many beds, in modern day it is known as dormitories. They also provide facilities for the mode of transportation which was animal like horse and camel at that time for feeding, watering and to rest for the night of the animals also. The visitors pay simple homely fare for refreshments at an additional rate. Due to the change in traveling patterns resulted to upgrade the facilities provided by the hosts. However, at that time there was no high standard of cleanliness or hygiene, as it is the case in the present and modern hospitality industry.

The purpose of tourism also discovers a new purpose for tourist known as religious tourism during the Middle Ages. Initially Churches started to maintain guest houses for saints and pilgrims. Temples also started to provide overnight hold facility to saints. The Muslim Kings started to construct buildings in the campus or popularly known as vicinity of mosques for travellers.

This leads to develop roads on a grater scale in the starting of third century

A.D. and horse-pulled carriages came into existence once the wheel was invented. This gives rise to larger towns and cities evolving and all this led to frequent travel between destinations. Peoples who ran inns started realized that this business had a greater scope and will yield high profits in the long run. Due to this they started constructing more larger guest houses for providing accommodation to tourist.

After this phase of roads getting developed was over mans also started travel for the purpose of trading and business close to fifteenth century A.D and also started looking for more safer venues where they could halt overnight or could rest during their long journey. These were merchants and were not satisfied with plain and decent inns and with their simple fare; because of the fact that they are traders and businessmen's who had more disposable income in their hands and can pay more than these simple fares and can get more services by paying more money therefore they wanted something above these plain inns with more luxuries. With the beginning of seventeenth century A.D more comfortable and more luxurious inns were routinely used for travelling of longer distances, with frequent and regular stops at roadside inns. By now these inns were evolved into better places for accommodation where the guests could rest, relax and halt over nightly in a safe environment and were in the operation throughout the years. From now onwards they started to become more spacious and privacy of guests are also kept into consideration. These also next ways for individual design rooms with simple furniture's.

And after this vertical buildings started to be constructed making a common place type of a room on the ground floor to welcome guests and provide them the food services, beverages, drinks, with bedrooms on the higher floors. This also gave churches an indication to upgrade their lodging facilities also in order to provide their visitors better services.

In the middle of eighteen century A.D, travel by stagecoaches the mode of travel which is limited to horses now replaced by stagecoaches became one of the most preferred modes of transport. For the maintenance of roads and bridges, tollgates were introduced and tourist or travellers using that particular road to travel had to pay a fixed amount of money. They started to tie ups with the locals at the inns who would provide them with refreshments.

With the introduction and development of the railway services and steamships, after the Industrial Revolution in England, road travel becomes out of fashion. Travellers and tourist preferred travel by train as it was more convenient, faster and safer, and hence the business of inns affected more badly and

the volume of business also reduced. With some of the inns closed down while others change their product in order to survive in the local market and became taverns. More and more towns and cities started to developed immediately after the introduction of railway which gives better connectivity and this gives the rise to hotels.

1.3. HISTORY, GROWTH AND DEVELOPMENT OF THE HOSPITALITY INDUSTRY IN ASIA

Asia is a largest continent in the world. It is large with land and mass, with about 50 different countries. Some of these are amongst the most popular tourist destinations of this world, and include Japan, China, India, Malaysia, Sri Lanka, the Gulf countries of the mid-east such as Israel, Jordan, United Arab Emirates (UAE), Oman, Saudi Arabia, Kuwait, Thailand, Singapore, Indonesia etc. are today's most visited tourist places in the world prominent being India, Saudi Arabia and UAE for the purpose of commercial, personal, to visit friends and relatives, for recreation, educational purpose, or some kind of religious activity.

In the middle-ages, caravan-serais were built in the mid-east for resting-places for caravans. In the 1200's, China and Mongolia had staging posts that were constructed for travellers and the benefit of couriers. As the hospitality industry developed around the world, it will also develop in Asia too, with traditional inns known as Ryokans that was built in Japan.



In 1869, the Construction of Suez Canal, travels from Europe started to travel more often and on a regularly basis on a large scale, with the help of steamships. The Eastern & Oriental Hotel, with more than a 100 rooms was built in Malaysia, at Penang. At around the same time, the colonial-style Raffles hotel was constructed in 1880's in Singapore, named after Stamford Raffles, the founder of modern-day Singapore. Both of these were constructed by four Armenian brothers. They later on acquired The Strand, which was built in Rangoon, Burma (today known as Yangon, in Myanmar) by a

British gentleman. All these hotels primarily catered to the British officers in the colonial times.

In China, before the 1970's only officials of government were permitted to travel to China. It was only after this period the current and modern-day hospitality industry and business started to develop with the construction of hotels, resorts, rest-houses etc.

In the 1970's with the dominance of the middle-east countries as the main suppliers of petroleum in the world, there was enormous increase in business travel to these destinations. To offset the demand and supply of hospitality services due to large number of increase in the number of visitors, more and more hotels started and built in the cities of Dubai, Abu Dhabi, Kuwait, Oman, etc.

In Turkey in the mid 1980's, the Sultan Ahran palace in Istanbul underwent huge renovation and restoration in order to be converted into a hotel, which started its operations in early 1991.



In the 1990's in Dubai, the Burj Al Khalifa was constructed which more than luxurious hotel is mostly known as a super luxurious hotel, standing on a man-made island, and one of the greatest attractions of the city today.

1.4. HISTORY, GROWTH AND DEVELOPMENT OF THE HOSPITALITY INDUSTRY IN INDIA

The hospitality industry in India existed even in the era of the Indus Valley Civilization as people travelled then primarily for the purpose of trade as well as religious purposes. The old grants and literature, including Hindu mythology has references to provision of accommodation and food to travellers. The stories of Hospitality were also found in Ramayan and Mahabharat and in Shlokas of Sanskrit. India was famous for gold, precious stones, spices and silks and trade existed with countries like Malaysia, China, Japan, Greece and Italy. Travellers used animals for covering distances of land and uses boats to cross seas and rivers.



Ancient Indian philosophy says that, “atithi devo bhava” which means that the guest are granted the place of god. Although there was no organized hospitality industry prevails in India in that time, the tourist and guest got accommodation in lodging houses known as “dharamshalas”. The Chinese visitor, tourist and scholars like Fa Hien and Huan Tsang who visited in India during the period of Mouryan Empire includes the rulers such as Chandragupta Mauraya, Vikramaditya and Harshvardhana spoke about lodging facilities prevails in India at that time for travellers and tourist. Huan Tsang specifically mentioned the facility of providing food services to 10,000 students studying at the Nalanda University, which was a world famous centre of learning.

The Muslim rulers between the eleventh & thirteenth centuries, constructed musafir khanas where messengers of the postal service could halt and rest. Allaudin Khiljee had started dak chowkies for postal delivery using horse runners. The Mughal dynasty rulers built sarais for the tourist that gave them some hospitality which means it provide them with shelter, water, food and resting place for the animals. This sarais are actually existed at that time and it is evident by the fact, and proved by the existence of areas and localities named as Katwaria Sarai, Lado Sarai, Sarai Ganj etc.

The Indian hospitality industry started to develop in early seventeenth century, after the arrivals of Europeans. At that time it was foreigners or Britishers or Europeans who themselves started running hotels for the Europeans as well as the British rulers for their visitors as well as for their rulers. The Portuguese Georges were the first ever hotels that opened in Mumbai, Maharashtra, (known as Bombay at that time) in the 1800's.

The most famous property of that time was Victoria hotel or Watson's Hotel, also known as the British hotel which was only for the Europeans and the Auckland Hotel located in Kolkata (at that time Calcutta) were some other famous properties. In the year 1903 the most famous Taj Mahal Palace and Tower opened in Mumbai which was built by Mr. Jamshedji Tata because Indians were not allowed to enter in Victoria Hotel or British Hotel or Watson's Hotel. This was the very first luxury hotel for Indians, also started by an Indian and is also one of the country's best hotels till today, which is a landmark in Mumbai and remains one of the most important tourist attractions for visitor in Mumbai. 20 years after the Taj Mahal Palace Mr. Shapurji Sorabji built one more luxury hotel in Mumbai known as Grand Hotel in 1923. And after the seven years from Grand Hotel, the Oberoi group of hotels by Mr. Rai Bahadur Mohan Singh Oberoi was founded in the 1930's, by taking over the Cecil Hotel Shimla that

was owned by an European before he captures it.

After the Independence of India in 1947 that is the Britishers formally left India the hospitality industry continued to grow very rapidly. The Taj and Oberoi groups that were already at its peak continued to rise by taking over properties that had been erstwhile in the hands of Foreigners, Europeans, Britishers and colonial masters and expanded their business overseas that is outside India as well. Indian Tobacco Company that is ITC group entered in hospitality industry in early 1970's after forming the ITC Welcome group, with the Sheraton Chola at Chennai (known as Madras at that time). Today that brand is known with the tagline of "Responsible Luxury" and is amongst one of the most environment-friendly hotel brands in our country.

In 1949 some regional hotel and restaurant and associations came up with their head offices in Delhi (New Delhi), Mumbai (Bombay), Kolkata (Calcutta) and Chennai (Madras), which formed the Federation of Hotel and Restaurant Association of India (FHRAI) in 1955. This association works as a co-coordinator between hospitality industry and government policy makers, international tourism associations and who have an interest in the hospitality industry. In 1956, the Ashok hotel was founded by Government of India (Congress) and it is one of the largest and most luxurious hotels in Delhi (New Delhi), and also the most popular attraction for tourists and as well as most visited by businessmen also. In 1966, the Indian Tourism Development Corporation (ITDC) was formed which opened more and more hotels and as well as related hospitality services across the whole country.

In the last few decades The Leela group, Sarovar Group, Shalimar group, Pride group, The Lalit group, The Kamat group etc are all Indian hotel chains came into existence. Some of the International hospitality industry companies also started to enter in Indian Market like Hotel Hayat, Marriott, Carlson, Four Points, Starwood etc. and have a great impact and becomes successful also in Indian hospitality market.



1.5. HISTORY, GROWTH AND DEVELOPMENT OF THE HOSPITALITY INDUSTRY IN UAE

Dubai is the world's biggest growing market outside of China since 2008 in terms of new hotel openings. The UAE's thriving hospitality industry, enjoying an impressive track record for its consistently high occupancy rates and sustained capacity expansion drive, is set for a new phase of exponential growth that is expected to catapult the Emirates to the ranks of the world's most sought-after destinations for international visitors by 2020, when Dubai will be hosting the World Expo. The UAE is already among the top five countries in the world for new hotel openings over the past five years. The hospitality industry in the UAE saw positive growth throughout the first 11 months of 2013. The UAE also has the longest pipeline of rooms under construction with an additional 32,107 rooms in the offering while the Middle East/Africa hotel development pipeline comprises 483 hotels totaling 117,450 rooms. Massive-scale expansion of international airports in the UAE, including what promises to be world's largest — Al Maktoum International with a capacity for 160 million annual passengers — and the fast pace of growth being recorded by the country's three industry-leading airlines have already been driving a relentless surge in the number of international visitors and holidaymakers to the UAE. As a result, almost all hotels across the UAE have been reporting impressive occupancy rates as well as steady growth in average daily rate, or ADR.

A report by STR Global on hospitality supply growth around the world reveals that only the US, China, the UK and India are ahead of the UAE. According to a forecast by Alpen Capital, hotel room supply in the UAE from 2012-2016 will increase by 5.3 per cent annually, taking the number from the current 96,992 hotel rooms to 125,383 rooms by 2016 in tandem with a surge in the inflow of tourists. Dubai, the regional hub for hospitality, tourism and shopping, is the world's biggest growing market outside of China since 2008 in terms of new hotel openings. The city has been named a top 10 global destination for business, leisure and shopping tourists, in a research exercise by Genesis Consulting ME. Hotels in Dubai exceeded the regional and national average and recorded a 9.9 per cent growth in ADR to \$290.68. According to a report by STR Global, in November, hotels in the region recorded an average 64.6 per cent occupancy at \$180.88 ADR, resulting in \$116.78 revenue per available room (RevPAR). These represented a dip in occupancy of 1.7 per cent, an increase of 6.8 per cent in ADR and an overall 4.9 per cent rise in RevPAR. During the first nine months, Dubai hotels witnessed significant growth in revenues, with total revenues up by 17.1 per cent, reaching Dh15.33 billion. Total guest nights also recorded similarly impressive rises, up 13.7 per cent to 30,874,916 from 27,163,974 in the first nine months of 2018.

EC Harris, the global consultancy, said that more than 10,000 five-star hotel rooms in Dubai are now in need of renewal. It estimates that there were 23,500 five star rooms in Dubai in 2012. However, this number has grown significantly throughout the last 18 months as operators launch new properties to meet growing demand and cash in on lucrative room rates. The Construction Pipeline Report released by STR Global predicts that Dubai's hotel room capacity will grow 28.6 per cent in 2013 with 17,409 rooms in the pipeline. Dubai's hospitality industry has received a new motivation with a move to license holiday homes. His Highness Shaikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, issued a directives to help develop the tourism industry by increasing the range of accommodation available to visitors — with the sector currently bursting at a very rapid rate. There are currently 100 per cent occupancy rates at hotels during the peak season. The directive states that the Dubai Department of Tourism and Commerce Marketing (DTCM) will have the authority to grant licences to those wishing to rent out furnished residential properties on a daily, weekly or monthly basis, according to the Dubai Media Office.

DTCM director-general Helal Saeed Almarri said regulating the rental of private properties as holiday homes would have a considerable positive impact on both tourism and real estate. The DTCM will define the requisite standards for the holiday homes that will be classified as either 'standard' or 'deluxe.' Almarri said in order to achieve Dubai's headline objective of 20 million visitors per year by 2020, there is a need to both increase the overall stock of hotel rooms in Dubai and widen the range of options for visitors.

"In recent years the number of three and four star establishments has increased, but it's vital that we continue to engineer the growth of this range," he said.

Saudi Arabia, India, the UK, USA, Russia, Kuwait, Germany, Oman, China and Iran made up the top 10 source markets for January to September 2013, mostly unchanged compared to 2012. A number of hotel properties are either under construction or in the planning stages in Dubai. Investors in new hotels will be granted a waiver on the fee for a period of four years from the date the permit to construct is granted and provided that this date is between October 1, 2013 and December 31, 2017.

"While our Tourism Vision has an end date of 2020, our strategy is focused on continual growth year-on-year, and we want to see the destination offer noticeably broaden every year. The equation is simple - the sooner the property opens, the bigger financial incentive the hotel owner will receive," said Almarri. Standard and Chartered said the Expo 2020 would have positive implications on three key parts of the economy: housing, infrastructure and hospitality. On the hospitality front, the authorities estimate that 25 million people are likely to visit the Expo, of which 70 per cent will come from outside the UAE. However, one key challenge for Dubai is to maintain tourist inflows afterwards to prevent an oversupplied hospitality sector.

"We see the hotel sector as one of the main beneficiaries of growth generated by the event. To accommodate the significant inflow of tourists, the hotel stock will have to expand. Since 70 per cent of the 25 million visitors are expected to come from outside the UAE, Dubai will need to accommodate 17.5 million tourists in the months around the Expo," it said.

Dubai will require around \$43 billion to significantly upgrade its infrastructure for Expo 2020 that may generate additional revenues in the range of \$25-35 billion, studies show.

Deutsche Bank said a bulk of the \$43 billion spending would go into expanding the hotel and leisure industry, while around \$10 billion will be spent to improve transportation infrastructure. The Al Maktoum International Airport, the newly developed airport near the Expo site, when fully completed will be able to handle 12 million tonnes of cargo and 160 million passengers annually, making it the largest international airport by some margin. Dubai has also initiated an expansion plan for its existing Dubai International Airport to increase its existing capacity from 60 million to 90 million passengers per year by 2018.

Habib Khan, GM of Arabian Courtyard and CEO of Planet Group, said his group would record a year-end occupancy of 86 per cent this year, compared to 82 per cent in 2012.



“Expo 2020 will definitely help us shift our business mix to higher spending business travellers over the years while maintain a decent occupancy at an improved ADR in a passage of time. We will be closing the year 2013 with ADR of Dh525 and for 2014 we are projecting the ADR of Dh595.

Moussa El Hayek, COO of Al Bustan Centre & Residence, said 2013 set a new record for his hotel as it achieved year-round occupancy of 85 per cent which is 12 per cent more than 2012. “All indications support the view that 2014 will be another year of growth for Dubai’s hospitality industry.”

Ayman Ashor, GM of Tilal Liwa Hotel, said his hotel has managed to exceed by two point in total occupancy in 2013 compared to 2012. Expo 2020 will have a big positive impact on business trends in the coming year. Benefits shall not be only limited to Dubai. It will also be felt across other emirates, he said.

Samir Arora, general manager of Ramada Downtown, said activities related to Expo 2020 would only start in the next couple of years and will not have an immediate effect in 2014. However, Dubai as a destination will continue to evolve due to Emirates Airlines which continues to add new aircraft every month and fly to newer destinations.

Iftikhar Hamdani, GM of Ramada Hotel and Suites Ajman, said the demand for 2014 would be more than 2013.

“Without extending the inventory, we will not be able to cater to this demand.

We need to increase at least 200 more rooms in Ajman due to this high demand.”

2. INTRODUCTION TO AIRBNB



It is an American online market place and hospitality service brokerage company based in United

States. It offers lodging, homestays, tourism experiences it is private held company founded in august 2008, 10 years ago in San Francisco, California. It is founded by Brian Chesky, Joe Gebbia, Nathan Blecharczyk. It operates through Airbnb App and website. Brian Chesky is the Chief Operating Officer, Joe Gebbia is Chief Product Officer and Nathan Blecharczyk is the Chief Strategy Officer of Airbnb Company.

It serves world wide with the concept of hospitality service peer to peer that is owner to guest directly. A full form of Airbnb is Air Bed and Breakfast. Airbnb does not own any real estate listing that is that they does not own any real estate property neither they host events as a brokers. The main source of income is commission from the asset owners. They provide a travel guide which is a book contains all places to visit in that particular neighborhood.



3. INTRODUCTION TO OYO

In 2012 an eighteen year old boy from Odisha founded **Oravel Stays Private Limited** in 2013 it become OYO rooms which is now India's Largest Hospitality industry. OYO partners with China lodging strategic investment company for dollar 10 million in September 2017. Ritesh Agarwal is the founder and Aditya Gosh is the Chief Operating Officer of the company. Mr. Kavikruth is appointed as Chief Growth Officer of OYO to expand OYO networks across India.

In 2017 OYO launched OYO homes which is an Airbnb like market place for short term managed rentals. OYO homes had it presence in India in more than ten leisure and tourist attraction destinations like Goa.

In April 2013 OYO launched its first international OYO homes in Dubai. The owner of the property receives anything between 50 to 70% of the total monthly revenue generated from that particular property. However the OYO management refused to share the details of how finances of these models would work. OYO homes is fully managed and handle by OYO.

OYO homes are giving services from bookings to check out (which also held a vast scope to improve) but they can also cover the transportation services of the tourists from the landing of customer to return of customer that is Airport to Airport.

3.1. Following are the special feature of OYO rooms and OYO homes



1. Whats app update and query resolution.
2. Independent villas, bungalows, apartments at same price of hotels with unique diversities like beach etc.
3. Kitchen.
4. Taking care of owners home by OYO staff like their own house.
5. Generating more yield for owners assets.

OYO uses predatory pricing which creates heavy losses for hotel owner.

Asharaf Ali Mumbai president of hotel association said that the price of hotels which are 2000 to 2500 are now sold at 800 to 900 by OYO. This is not satisfactory for the hotel owners.

In 2018 an article in the Times of India said that OYO sent unsolicited job offers to senior and mid level employees of competitor companies like TREEBO and FAB hotels.



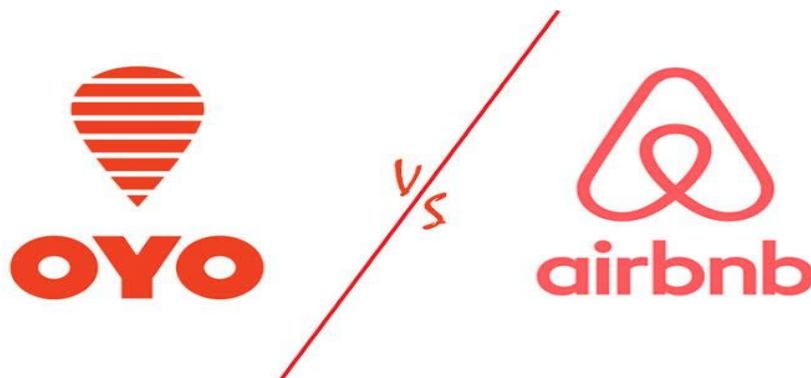
On 1st August 2019, OYO appoints Dr. Mandar vaidya as Chief executive officer for South East Asia, West Asia, Middle East and UAE.



Today, OYO Hotels and Homes is synonymous with quality stays, innovation and is driven by passionate individuals who are working towards a mission. I am thrilled to be a part of this ecosystem and shaping the company's future in Southeast Asia and the Middle East, which are critical growth markets for the company. In a short span of six years, OYO has established itself as the world's fastest growing chain of hotels, homes and living spaces while being the preferred choice of millions of customers and asset owners. I am keen to work with the best minds in the industry to drive value for every stakeholder as we come together to create something exciting. said Dr Mandar Vaidya, Chief Executive Officer, OYO Hotels & Homes, Southeast Asia and the Middle East

Ritesh Agarwal, Founder & CEO, OYO Hotels and Homes, said, We are thrilled to welcome Mandar to the OYO family as he takes the charge of strengthening OYO's presence in Southeast Asia and the Middle East. He exhibits true characteristics of an OYOpreneur and has a problem-solving attitude which is necessary as we move towards our goal of transforming the global hospitality landscape. These two markets are crucial to our international expansion strategy and in a brief period of time, we are delivering high-quality accommodation experience to guests in Indonesia, Malaysia, the Philippines, Vietnam, UAE and the Kingdom of Saudi Arabia. Under Mandar's leadership, we look forward to establishing a strong relationship with asset owners in these regions while staying true to our mission of delivering a chic hospitality experience at hard-to-ignore prices. I wish him the best for the journey ahead.

3.2. DIFFERENCE BETWEEN AIRBNB MARKET PLACE AND OYO HOMES



Airbnb is internet based market place which connects hosts to guests world wide and the houses are mostly occupied by the owners. If not occupied then Airbnb appoints housekeeper to take care property. Where as OYO homes besides operating as a market place will also handle day to day operation at

the property. The company staff will handle guest check in and check out. They also modify infrastructure and interior of homes if needed and required. OYO offers home owner a big lure by taking off the pressure to appoint a housekeeper to would managed a guest. However the big challenge for OYO is to build confidence in minds of asset owners to give the keys of their property to OYO.

CHAPTER II - RESEARCH METHODOLOGY

2.1. OBJECTIVES OF THE STUDY

1. To identify which country serves as the most potential customer base for hospitality industry in UAE.
2. To understand the preferences of tourist of that country which citizens visit mostly in UAE.
3. To find out if UAE itself produces more tourist for its hospitality industry.
4. To understand the preferences of local tourists of UAE.
5. To understand attitudinal impact on selecting the place of stay.
6. To identify the main purpose of customers for their visit to UAE.
7. To find out whether the tourist are mostly singles or couples.
8. To identify the facilities provided to students.
9. To know whether tourists are getting world class best security in UAE.
10. To know whether tourist are getting free call facility.
11. To identify the different service provided to tourists in UAE.
12. To know the different transportation facilities provided to tourist for different purposes.
13. To know the additional services provided to customer.
14. To know whether tourist are provided with event facilities like wedding, conferences etc.
15. To know whether indoor games or recreational facilities provided to tourist.
16. To identify the factor determining selection of lodging options.
17. To know the differences between tourist expectation and services provided to them.
18. To know the reasons for failure of OYO Homes in UAE.
19. To identify difference between OYO & Airbnb options.
20. To know the new option the attracting tourist.
21. To understand the SWOT of Airbnb and OYO.
22. To know whether there is a scope of Merger between Airbnb and OYO in UAE.
23. To know whether other hospitality industries have any scope of merger in UAE.
24. To know whether OYO has been successful in other countries except India and why.
25. To find out whether the companies of hospitality industry are using digital data sharing of customers with government authorities.
26. To know the owners fund and borrowed funds of both the companies.
27. To know the returns earned on above funds of both the companies.
28. To compare the returns earned by asset owners of both the companies.
29. To find out whether the asset owners are satisfied by the term and condition of the both the companies.
30. To know whether the listed hotel owners are satisfied by the terms and conditions of the OYO company.
31. To analyses the returns earned by hotel owners of the OYO company.

32. To know whether asset owners of both the companies are getting timely payment.
33. To know whether the hotel owners of OYO are getting timely payment.
34. To know whether asset owners of both the companies wants something more than just returns.
35. To know whether hotel owners of OYO company wants something more than just returns.
36. To know whether the value of properties of asset owners that increased after tying up with these companies.
37. To know whether the value of properties of hotels owners of OYO company that increased after tying up.
38. To find whether hotels owners and asset owners have faith in these companies.
39. To identify these owners (hotels and assets) are respected and value by the companies.
40. To know the guidelines given by these owners (hotels and assets) to the companies.
41. To know whether companies follow guidelines of these owners (hotels and assets).
42. To find out whether these companies had taken insurance of belongings of these owners (hotels and assets).

2.2. BACKGROUND OF THE STUDY

Background of the study provides in depth information about the study has to be conducted. It gives and explain the crux of the topic and provides relevant information about the topic of study.

1. Airbnb

Airbnb is a privately held global company headquartered in San Francisco that operates an online marketplace and hospitality service which is accessible via its websites and mobile apps. Members can use the service to arrange or offer lodging, primarily homestays, or tourism experiences. The company does not own any of the real estate listings, nor does it host events; as a broker, it receives commissions from every booking.

1.1. Guests

Guests can search for lodging using filters such as lodging type, dates, location, and price. Before booking, users must provide personal and payment information. Some hosts also require a scan of a government-issued identification before accepting a reservation. The company also provides travel guides, entitled "Neighborhoods", which provide details about staying in specific neighborhoods in various major cities.

1.2. Hosts

Hosts provide prices and other details for their rental or event listings. Pricing is determined by the host, with recommendations from Airbnb. Hosts may be required to report income and pay income taxes on income received via Airbnb. In the US, homeowners who refinance their mortgages with some agencies are able to count income they earn from Airbnb rentals on their refinance loan applications.

1.3. Legality of hosting

Some cities have restrictions on subletting for a short period of time. Airbnb has published a list of regulations and requirements for cities in the United States. In some cities, collection of a transient occupancy tax by Airbnb is required. In many cities, hosts must register with the government and obtain a permit or license. Landlords or community associations may have restrictions on short-term sublets.

1.4. Safety mechanisms

Founder Joe Gebbia has said that Airbnb is specifically "designed for trust" and provides a variety of safety mechanisms, including US\$1,000,000 of secondary insurance, which covers property

damage by guests due to vandalism and/or theft, and connection to multiple social media channels.

2. OYO

OYO Rooms, generally known as OYO, is India's biggest cordiality organization, comprising essentially of spending lodgings. It was established in 2013 by Ritesh Agarwal and has since developed to more than 12,000 lodgings in 337 urban areas in India, Malaysia, UAE, Nepal, China and Indonesia.

2.1. History

In 2012, at that point 18-year-old Ritesh Agarwal, hailing from Odisha's Rayagada area, propelled Oravel Stays, a site intended to empower posting and booking of spending convenience. Following three months of research and remaining in more than 100 informal lodging homes, visitor houses, and little inns, he rotated Oravel to OYO in 2013.

OYO accomplices with lodgings to give comparative visitor experience crosswise over urban communities. Not long after propelling Oravel Stays, Ritesh Agarwal got a give of \$100,000 as a feature of the Thiel Fellowship from Peter Thiel.

In March 2015, OYO raised Series A series of financing \$24 million from Lightspeed Venture Partners, Sequoia Capital, Greenoaks Capital and DSG Consumer Partners. In August 2015, OYO raised another \$100 million from Softbank Group, a current financial specialist. After a year, in August 2016, OYO raised \$90 million from Softbank Group, Innoven Capital and existing speculators. In September 2017, OYO declared it had shut a \$250 million arrangement D round of subsidizing driven by Softbank Group, new financial specialist Hero Enterprises driven by Sunil Kant Munjal, Sequoia Capital, Greenoaks Capital and Lightspeed Venture Partners. China Lodging made a vital venture of \$10 million in OYO in September 2017.

In late 2017, OYO propelled OYO Home, an Airbnb-like commercial center for present moment oversaw rentals. OYO Home has nearness in excess of 10 relaxation goals of India including Goa, Shimla, Pondicherry, Udaipur, Kerala and so forth. In April 2018, OYO propelled its first universal OYO Home in Dubai.

In September 2018, OYO raised \$1 billion. Most of the subsidizing — \$800 million, to be careful — was driven by SoftBank's Vision Fund with interest from Lightspeed, Sequoia and Greenoaks Capital. OYO said there is likewise an extra \$200 million that has been submitted from so far anonymous financial specialists. The arrangement esteems the five-year-old organization at \$5 billion. OYO rooms accompanied new idea of information sharing of staying client with government specialists.

2.2. Late issues

OYO rooms intends to actualize an advanced register component which will enable them to share their client information continuously with the legislature. This may enable government to find progressively the visitor data effectively. OYO is more prevalent among unmarried couples than families, along these lines this move truly forces a risk to security for them.

OYO rooms were in various Indian news in September 2018 after an inappropriate behavior guarantee was made by US resident . She had purportedly asserted that she was given a risky convenience by OYO in Delhi where she was hassled. Anyway OYO keeps up that couple of episodes are unimportant contrasted with a great many registration happening ordinary and the organization endeavors to cure any issue.

OYO has been in news for utilizing savage evaluating utilizing its subsidizing cash to unreasonably

evacuate rivalry. It was likewise revealed that OYO was not following its very own understandings and have compromised the lodgings to singularly change a portion of the provisos or endure the outcomes of non-installment.

OYO Rooms had sent mass spontaneous occupation offer messages focusing on senior-and mid-level workers of contender organizations.

It was accounted for by Business Standard in 2017 that OYO rooms were making monstrous misfortunes without appearing huge incomes.

2.3. Working of OYO

OYO Rooms is the biggest marked system of lodgings as of now working in India and Malaysia. The organization began off its activities by structure its plan of action around the aggregator plan of action yet things have changed since 2018.

Prior, the organization used to sort out the band together with lodgings, rent a few rooms, and offer them under its very own image. Despite the fact that the procedure is as yet the equivalent, OYO's plan of action has changed its course to another structure.

The principle center, nonetheless, still is the nature of the administration gave. Consequently, to keep up the brand picture, they influence the accomplices to give administrations at foreordained measures while they make them increasingly noticeable to their client base.

3. OYO Rooms – An Aggregator or A Franchisor ?

OYO Rooms Business Model used to be a lodging aggregator. Be that as it may, it was not the same as Airbnb's plan of action as OYO didn't concentrate just on the discoverability of the accomplices among the clients yet additionally on the institutionalized nature of the administrations gave.

The clients used to purchase the administrations from the brand OYO rooms and couldn't have cared less who the accomplice was.

Much the same as Uber, OYO gave rooms institutionalized quality and cost.

This model was a blend of aggregator plan of action and establishment plan of action. In any case, as the time passed, the organization assembled its image value and the originators chose to move its plan of action to an unadulterated establishment plan of action. The organization currently gets 90% of its income from lodgings under the establishment model.

3.1. Plan of action of OYO Rooms

OYO Rooms plan of action was like the typical aggregator plan of action (Uber for x plan of action) yet had the substance of the establishment plan of action too. The organization used to – Lease a piece of Hotel's stock heretofore,

Organize those lodgings under their image name – OYO Rooms

These accomplice inns gave institutionalized administration to clients of those rooms as it was chosen in an agreement with OYO

Bookings were made through the OYO Rooms site and portable application.

The current working model of OYO Rooms is like what it was previously. It's simply the organization doesn't rent the lodgings any longer, however ask the inn accomplices to work them as establishment. They have great brand value and flaunts a 100% expansion in income to their accomplice lodgings.

3.2. Organization Model

OYO Rooms furnish guests with quality lodging remains at better places around India. They have collaborated with lodgings and made them work with them under their name.

OYO Rooms, began and well known as marked lodgings aggregator, gives a lot a larger number of administrations than just lodgings to guests. The services included in the OYO Rooms business model are –

3.3. Hotel Rooms



OYO's earlier strategy was to book a part of the hotels' inventory, to maintain it as per the quality standards, and to hold it captive exclusively for OYO customers. That is, they used to lease some rooms every month and provide them to their own customers at profits.

The only thing that has changed is that the rooms are now not leased but operated as OYO Rooms franchise. Since the hotels and place owners act as the franchisee, they are bound to operate as per the pre-determined standards. The company even offers plans where it runs the place instead of the hotel staff or owner.

4. OYO Flagship

The partners used to book their own hotels when they used to see fewer prices on the OYO's platform and this became malpractice benefiting the partners while burning holes in OYO's pockets. To curb this, and to expand the business, OYO Rooms has started leasing of hotels and places where it has the full control over the day-to-day operations of these establishments.

5. OYO Townhouse



The company has recently launched the OYO Townhouse to hone its value proposition and stand out of the competition when it comes to standardized hospitality. OYO Townhouse is based on the needs of

the millennial traveller. These hotels are planned and built based on the needs and wants of the millennial. They have – Hilton Appeals to Millennials with Work Perks, Like In-Room Fitness Smarter Rooms – with specially designed beds, showers, sockets, and internet infrastructure. Even the TVs have Netflix installed.

Smarter Spaces – common spaces designed to have meetings. Free printer, business services, magazines, coffee and tea in the common area.

Smarter Menus – 24 x 7 Kitchen which lets you order from the mobile application. and many more smart services.

6. Studio Stays

Apart from providing hotel rooms, OYO Rooms also provides fully furnished rooms and flats for long stays like internships, corporate stays, etc. The rooms/flats can be rented on single occupancy as well as on twin sharing basis as well (other provisions are also applicable). Rents are paid monthly. Commission (take-up rate) is charged from the owners if the customer comes through OYO rooms.

7. Events & Other Long Stays

Just like studio stays. There are many family functions(weddings, parties) as well as corporate functions (seminars, meetings, parties) which involve hotel rooms for their guests to stay for long. This service is also provided by OYO.

8. Commercial Places

OYO has expanded its branches in the commercial places domain as well.

Now the customers can even book office spaces on OYO as well.

9. OYO Wizard

The company has also launched a subscription model where the subscribers get exclusive discounts, deals, and cashback offers.

10. Revenue Model of OYO Rooms

The revenue model has also transformed as the business model changed from aggregator to franchise. Earlier the brand used to lease hotels at a predetermined price and offered them to the users at a take-up rate. This has been changed to a commission based revenue model.

OYO rooms charges a commission of 22% from its hotel partners. However, this commission does vary according to the services provided by the brand.

11. Future of OYO Rooms

OYO is growing. Though this growth is at a cost, it will be worth it afterwards. According to a source, OYO Rooms has delivered a 15x annual growth with 2.3 million booked room-night transactions in the first quarter of the calendar year 2016 while its GMV continues to grow substantially every month. This shows the increasing brand equity and demand of OYO.

OYO has set its name as the high-quality budget hotel network. Which will change in the near future as the prices might increase. But since OYO has come up with a new model of

Flagship, there are chances that the prices might be kept as they are now. How this will affect the demand is not known as there are many emerging competitors (like Treebo, Quikstay, etc.) of OYO.

OYO has placed its foot in other domains than just hotel rooms which will help them stay in the market for long. SoftBank has been a keen observer and has done a great job in funding them.

12. OYO Rooms Marketing Mix (4Ps) Strategy

12.1.Product:

OYO Rooms is one of the most popular hotel booking online brands in India. OYO works on a different scale in comparison to other online room booking sites or online travel agents. OYO Rooms work methodology is simple that they pitch the hotels available in different location to the customers and on booking they take a commission fee as their income. Many times they also do one thing that they book a few rooms of a hotel every month according to consumer request and then they even rent these rooms to consumers at a lower rate at which they themselves has taken from the hotel. This deal attracts consumers and make their trip way more comfortable at a low cost. Their service of giving rooms to unmarried couples without any hassle also attracts youngsters to a big deal. It takes only 5-6 days for OYO to make up a deal with a hotel after analyzing all of their services. As a comfortable service is one of their prime motto so OYO Rooms have also made up a special team which keep on visiting hotels in a fixed duration to make sure that all the services are available as stated. This gives an insight in the product & service offering in its marketing mix.

12.2.Price:

OYO Room's strategy is to attract customers with a lower room price in comparison to the base price of the hotel. The main goal is to offer at an unmatched price and which matches with the budget of user. Their room price varies from Rs. 999 to Rs. 4000 depending on the location and luxury of hotel. Due to this discount strategy many a times OYO turns out to be at a major loss which is then backed by different investors like Softbank group. Overall OYO rooms are following a very sensible strategy which aims to provide rooms at a moderate rate with awesome services and generate loyalty from customers.

12.3.Place:

OYO rooms started from a single hotel in Gurgaon and now has extended its empire in all the parts of country along with going beyond the seas in Malaysia and Nepal. OYO rooms works totally online, either with an app or through online sites you can go through the available hotels with their estimated price. You can book it online with a confirmation and then you can avail the services on reaching the booked hotel on specific date. So OYO's total delivery system is online whether it is booking, complaint or feedback and its online system is totally user friendly.

12.4.Promotion:

OYO prefers to promote completely through different social media sites like Facebook, Twitter etc. OYO uses digital platform to attract new customers with its unique services and lower prices. Also retain loyal customers by coming up with new discount policies further on the low prices. OYO has also conducted various online campaigns like Aurkyachaiye which we can see on different other social media sites. Many of these campaigns also included Bollywood artist to make them appear more attractive. One of the most recent campaign is "One for everyone" which comprises of short 8 movies where customers are showing their own satisfaction with OYO services.

Since this is a service marketing brand, here are the other three Ps to make it the 7Ps marketing

mix of OYO Rooms.

12.5. People:

OYO team comprises of young and energetic people who wants to deliver maximum both for the company and individual growth. With the dynamic team OYO also provides a very friendly working environment which helps in the employees work according to their convenience, come up with new innovations and work beyond their strengths. Even the leaders of OYO are two youngsters who were driven by the need to create a change in the hospitality industry of India.

12.6. Process:

OYO helps the users to search the hotels according to the location and price. It acts as an intermediate between the hotels and the users and on booking collect their commission fees as their income. The services provided by the hotel is not in the hands of OYO but they help users in picking hotels according to their convenience.

12.7. Physical Evidence:

OYO provides a confirmation mail to the users registered email id on booking any room and also send them a confirmation message on their mobile number which ensures their payment and booking of hotel. This message or email is used to show your room confirmation while check in the respective hotel. Hence, this completes the marketing mix of OYO Rooms.

OYO is successful India because of the fact it uses predatory pricing that is it offers OYO rooms and OYO homes at a very lower and economic prices to the visitors therefore it is successful because in India the visitors mostly prefers budgeted products. However in other countries it is not successful because for example people or visitors in UAE never bothered with prices they only want quality in the product which is OYO rooms and OYO homes.

13. LIMITATION OF THE STUDY:

- Demographics and Sociography
- Lack of face to face communication
- Due to less number of respondents all our hypothesis could not be analyzed statically.
- No many asset owners of OYO were interested in commenting on our research questionnaire.
- OYO officials though contacted did not respond much on the issue.

Chapter III - Data Analysis, Interpretation and Presentation

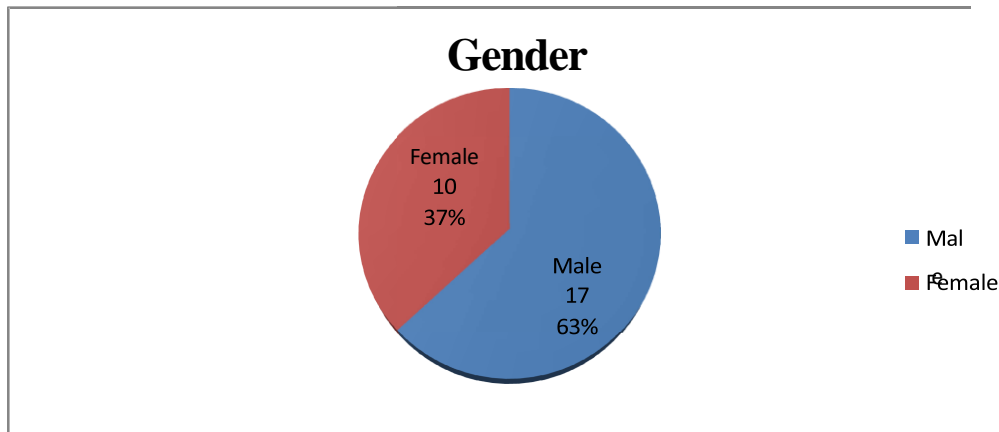
All the Questionnaire, Conclusion and this whole study is based on the objectives specified above.

1. Questionnaire 1 (Tourist)

1.1. Respondents Profile

1. Gender of the respondents Table: 1.1

Gender	No of respondents
Male	17
Female	10
Total	27



Graph: 1.1

Interpretation:

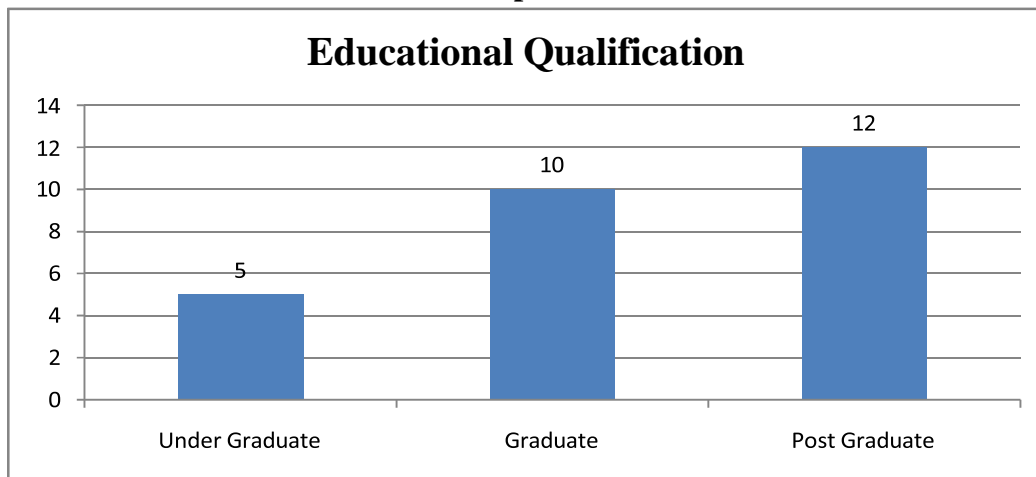
More than 60 percent of the sample population is male.

2. Educational Qualification of Respondents

Table: 1.2

Educational Qualification	No of respondents
Under Graduate	5
Graduate	10
Post Graduate	12
Total	27

Graph 1.2



Interpretation:

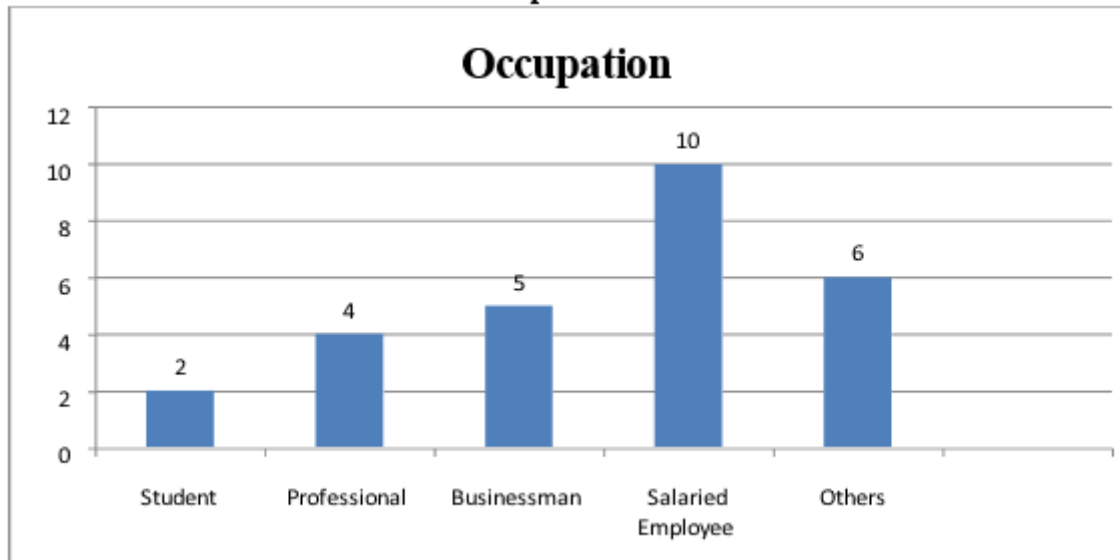
More than 80 percent of the respondents are well qualified that is post graduate or graduate.

3. Occupation of Respondents Table: 1.3

Occupation	No of respondents
Student	2
Professional	4
Businessman	5
Salaried Employee	10

Others	6
Total	27

Graph: 1.3



More than 50 percent of people in our sample population are salaried employee and Others (which doesn't come in categories specified above) this is because of the fact that it is next to impossible to start a business in UAE that's why most of the sample population that is 37 percent are salaried employee.

4. Purpose of visit Table: 1.4

Purpose of visit	No of respondents
Education	1
Business	3
For treatment	-
Leisure or Entertainment	11
Religious Occasion	-
Job	12
Other	-
Total	27

Interpretation:

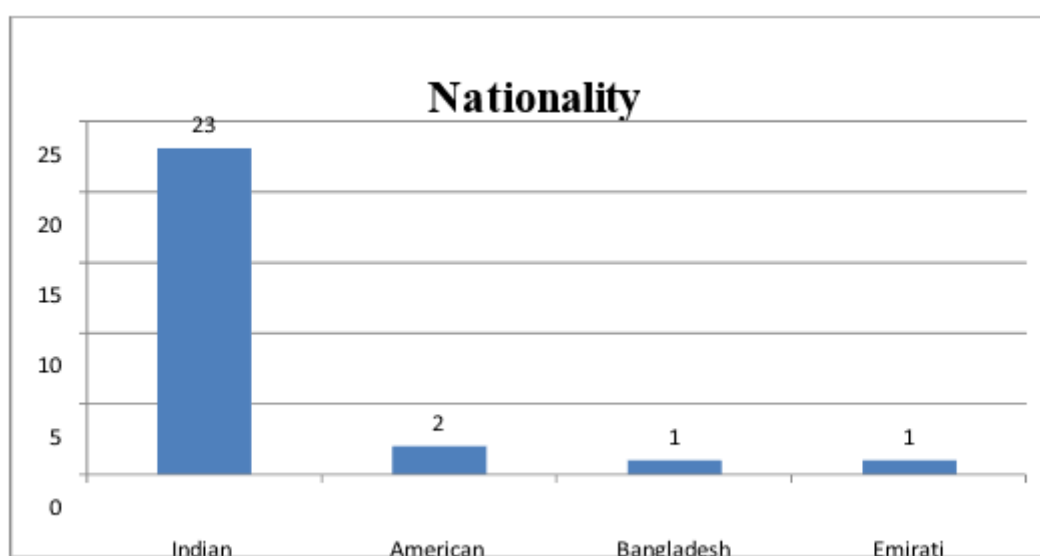
More than 84 percent of sample population visits UAE for the purpose of Job and Leisure or Entertainment this is because our sample population are mostly salaried employee therefore it is justifying that most of our sample population visits UAE for purpose of Job.

5. Nationality of respondents

Table: 1.5

Country	No of respondents
Indian	23
American	2
Bangladesh	1
Emirati	1
Total	27

Graph: 1.5



Interpretation:

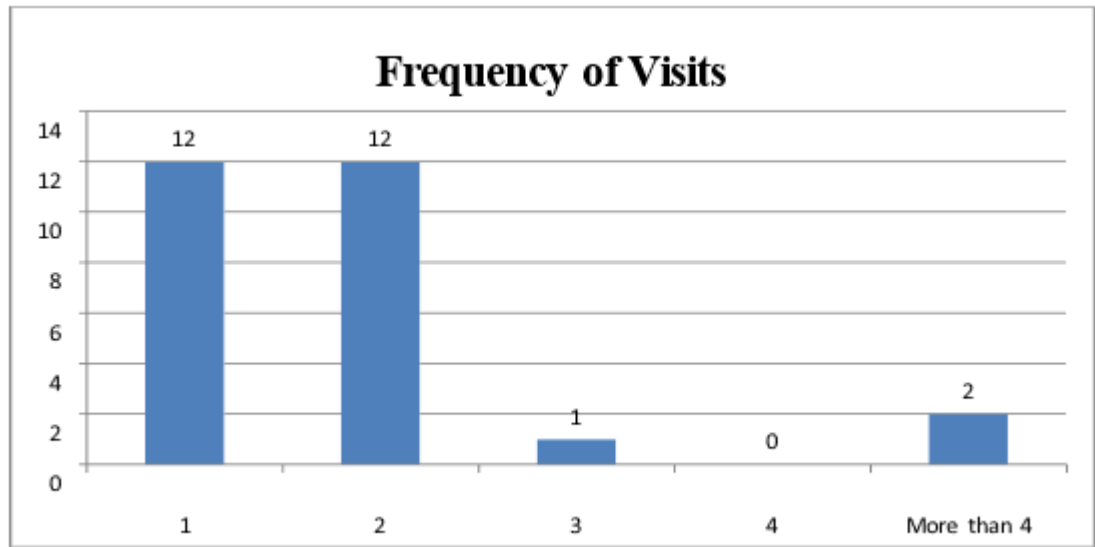
More than 85 percent of the sample population that is 23 number of respondents out of 27 respondents possesses Nationality of India only in our sample size. But currently they are in UAE only.

6. Average Frequency of Visits in a year

Table: 1.6

Frequency of Visits	No of respondents
1	12
2	12
3	1
4	-
More than 4	2
Total	27 50

Graph: 1.6



Interpretation:

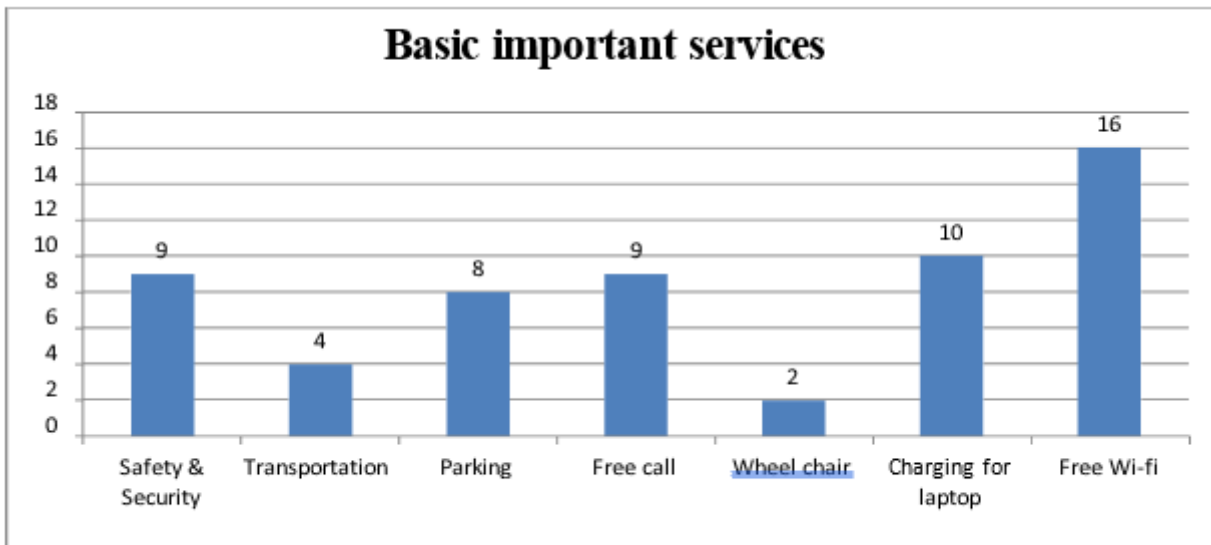
Average Frequency of Visits in a year More than 88 percent of the sample population on an average visits UAE once or twice in a year not more than that and this is because of the fact that our sample size mostly consists of salaried people.

1. Basic important services are given to you by OYO hotel, rooms and homes.

Table: 1.7

Basic important services	No of respondents	Total Respondents
Safety & Security	9	27
Transportation facility (Airport to hotel)	4	27
Parking facility	8	27
Free call facility	9	27
Wheel chair facility	2	27
Proper charging facility for laptop	10	27
Free Wi-fi	16	27

Graph: 1.7



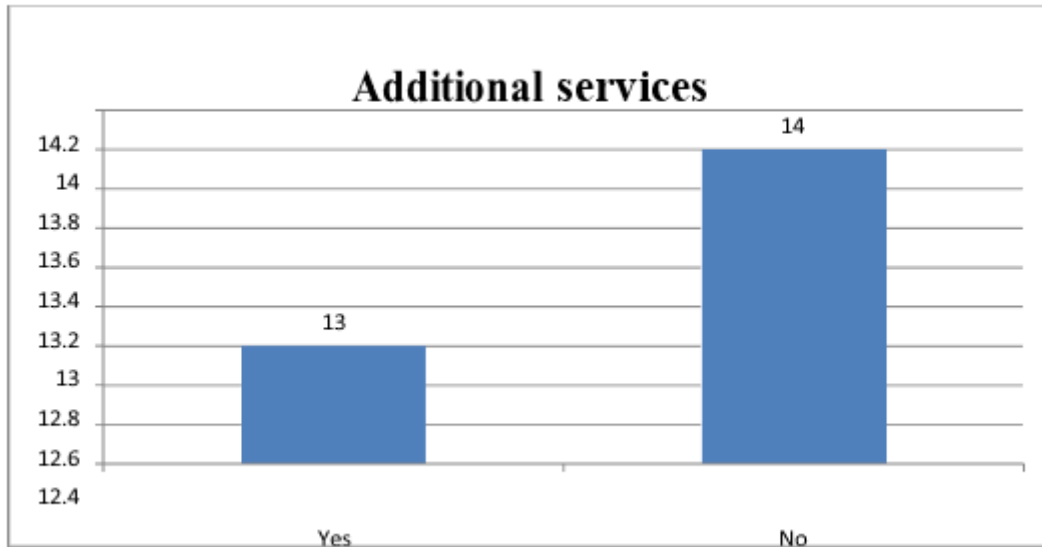
Interpretation:

Most of the sample size feels that OYO provides services of Free Wi-Fi (59%), Proper charging facility for laptops (37%), and Free call facility (33%) in the name of basic important services but it doesn't provides actual basic important services like Safety & Security, Transportation facility (from airport to hotel), and Wheel chair facility.

2. Additional services provided by OYO Table: 1.8

Additional services	No of respondents
Yes	13
No	14
Total	27

Graph: 1.8



Additional services:

Additional services means providing some extra services to visitors which may not be their priority such as for example -

1. Providing a Guide to Tourists at a reasonable rate so that Tourists doesn't have to waste their time on finding a guide
2. Providing packages which includes Cost of stay and Cost of travel or time (Cost of stay + cost of travel).

These two services explained above makes life easier for travellers because it saves their time and money as well. Visitors can be provided with some more creative services which can be beneficial for Visitors and OYO also because they can make money by providing this extra services too.

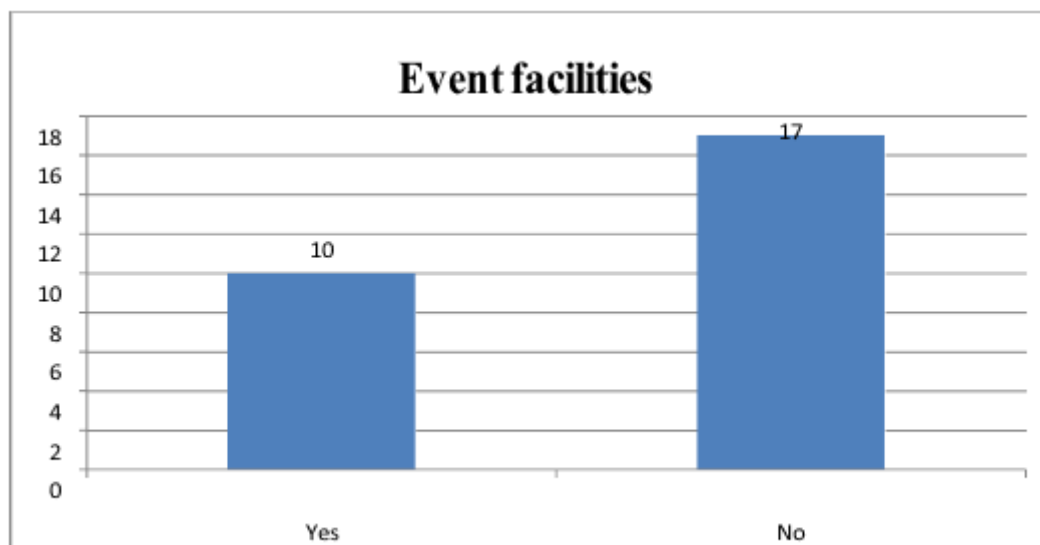
Interpretation:

52 Percent of the sample population is of the opinion that OYO doesn't provides additional services. This is because it is true that OYO is now thinking trying to set their foots in this type of services.

3. Event facilities provided by OYO Table: 1.9

Event facilities	No of respondents
Yes	10
No	17
Total	27

Graph: 1.9



Event facilities:

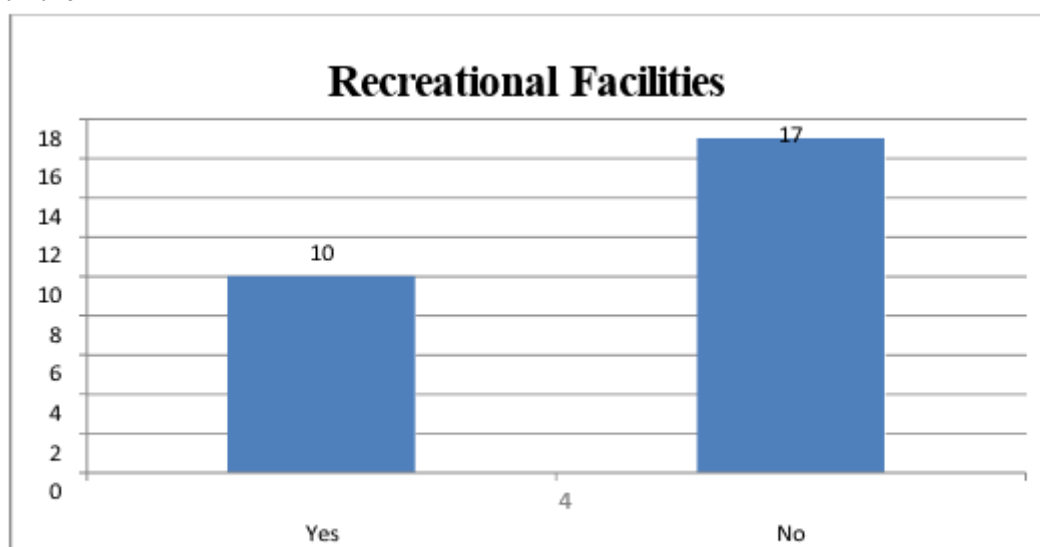
Event facilities means providing their customers services like Wedding, Destination Wedding, Conferences etc.

Interpretation:

63 % of the sample population feels that OYO doesn't provides them with the services of Event Facilities.

Recreational Facilities	No of respondents
Yes	10
No	17
Total	27

Graph: 1.10



Recreational facilities -

Recreational facilities means providing facilities and services of games for entertainment indoor and outdoor both.

Indoor games means those games which can be played inside a limited area or under one roof for example Table Tennis, Carrom, Chess etc.

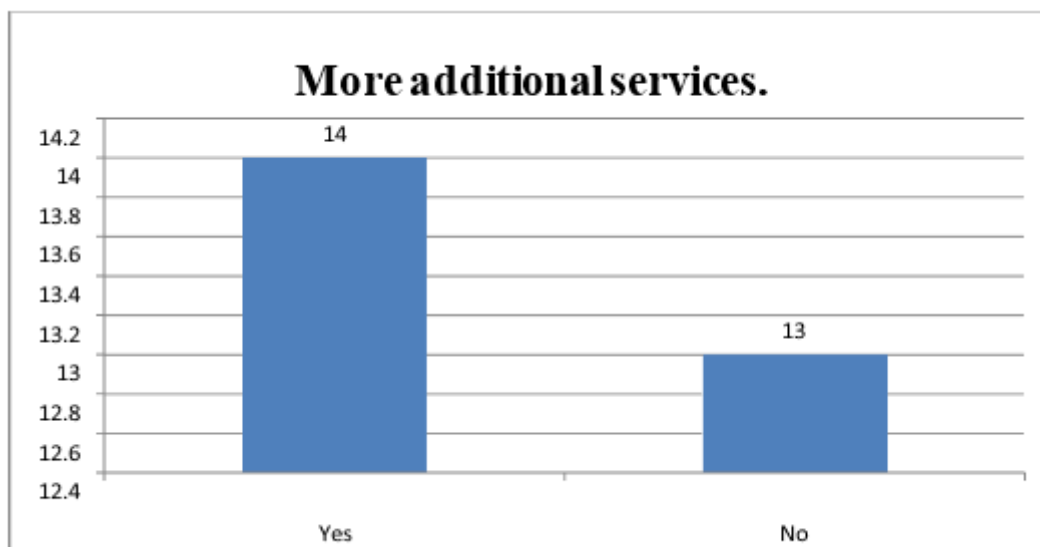
Outdoor games are those games which needs ample place for example Cricket, Badminton, Basketball, Golf etc.

Interpretation –

63 percent of the sample population doesn't get Recreational facilities or more precisely OYO doesn't provides with Recreational facilities to customers.

More additional services.	No of respondents
Yes	14
No	13
Total	27

Graph: 1.11



Interpretation:

52 Percent of the sample population is of the opinion that OYO must provide some more additional services to their customers and visitors.

According to our sample population some of the important Additional services which they want from OYO are

i. All-Day Breakfasts -

Many hotels offer simple complimentary breakfasts to their guests. Some have even started extending the timeframe to make it available for longer. OYO could even take this a step further by making breakfast available throughout the entire day.

50

Per WTM London, The Kayumanis Resort in Jimbaran, Bali not only has an all-day breakfast, but also delivers it to villas at no extra cost.

ii. Pick-Up/Drop-Off Service and Ticket Bookings on OYO app

Some hotels, especially those outside city centers, offer a complimentary pick-up and drop-off service for their guests. Occasionally, there are also centrally located hotels that provide this amenity. Creating a regular schedule for your guests can help them make plans to catch your shuttle when they need it. Air and Railway ticket bookings are also need of the hour.

iii. Offer Something For Free

“Free” is a powerful psychological trigger. Offering a gift to your guests, however small, will be appreciated by them. It could be a bottle of water, a small pack of mints, or a puzzle.

Condé Nast Travel indicates that the Inter Continental Park Lane in London offers their guests butter shortbread, made in Scotland, along with a cup of Wellington Tea.

iv. Personalization

More and more customers are coming to expect personalization from the businesses they engage with. From contest giveaways to customized candy wrappers, there are many ways to let your guest know that you appreciate them. You can also call them by name, spend time getting to know them, and offer some personalized suggestions to surprise and delight them and this doesn’t need to cost anything extra.

v. Luggage Forwarding

One of the main things that can make travel inconvenient is luggage. If you offer a luggage forwarding service, your guests can travel worry-free, and go on their way without having to carry their non-essential belongings with them everywhere they go.

vi. Rental Clothing

At times, guests may require clothing for an occasion they didn’t plan for. Some luxury hotels offer a temporary closet to such guests so they can attend their social events or business meetings without worrying about their appearance. **Per Fodor’s Travel, The Hotel de Rome** offers their guests Schumacher designer dresses at no extra charge, whether they’re in need of a cocktail dress or evening gown.

You may not be able to offer luxury clothing rentals, but you could scale this service to match your property, particularly if there’s a demand for it.

vii. State-Of-The-Art TV

The days of a flat screen TV being novel in a hotel room are over. Today, there’s so much more that a TV can do, which can afford more conveniences for your guests.

Co.Design indicates that TVs within Virgin’s new hotel can be used to order room service and control the thermostat. Plus, it can be controlled with one’s smartphone.

Used wisely, these conveniences can generate more revenue for your business.

The extras you provide your guests don’t need to cost a lot of money or involve a lot of effort. Little tweaks can make a big difference.

But extras can also be leveraged as additional **Revenue sources**. If you’re offering a service your customers want and need, many are willing to pay the extra for the convenience.

Tailor your approach to your property, as not all strategies will be right for you. Take your target guests, the size of your hotel, your capacity, your location, and other important factors into consideration.

6. Digital data sharing is feasible to maintain security.

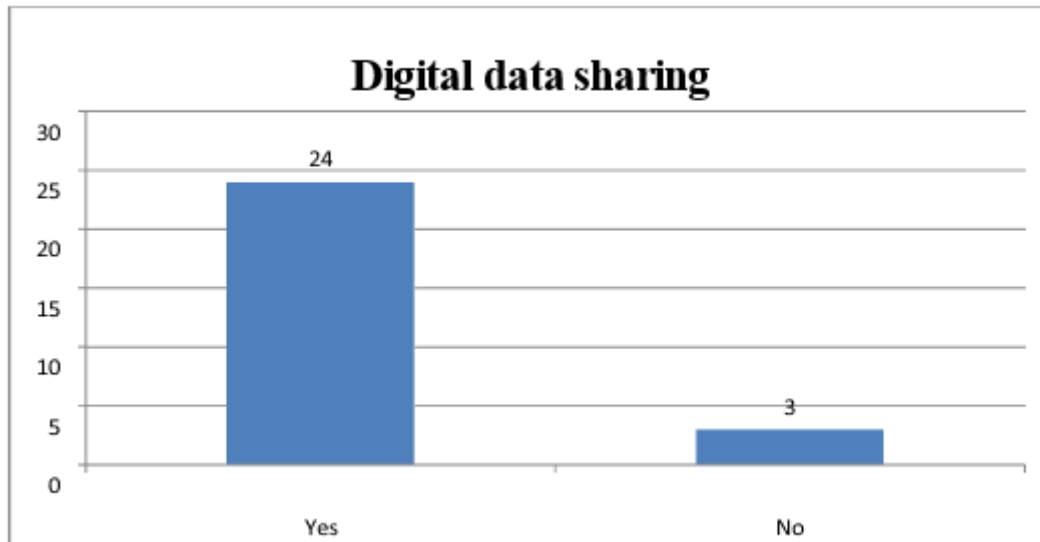
Table: 1.12

50

Digital data sharing	No of respondents
Yes	24

No	3
Total	27

Graph: 1.12



Digital data sharing - It is a good option to provide security to Tourists and Visitors in which it digitally collects the customer data whenever a guest checks in and shares them directly with state government and various law enforcement bodies.

Interpretation -

89 Percent of the sample population feels that Digital data sharing is feasible to maintain security.

7. The main factor behind selection of hotels.

Table: 1.13

Selection of hotels	No of respondents
Price	14
Area locality	1
Services	8
Quality or Star rating	4
Total	27

Graph: 1.13



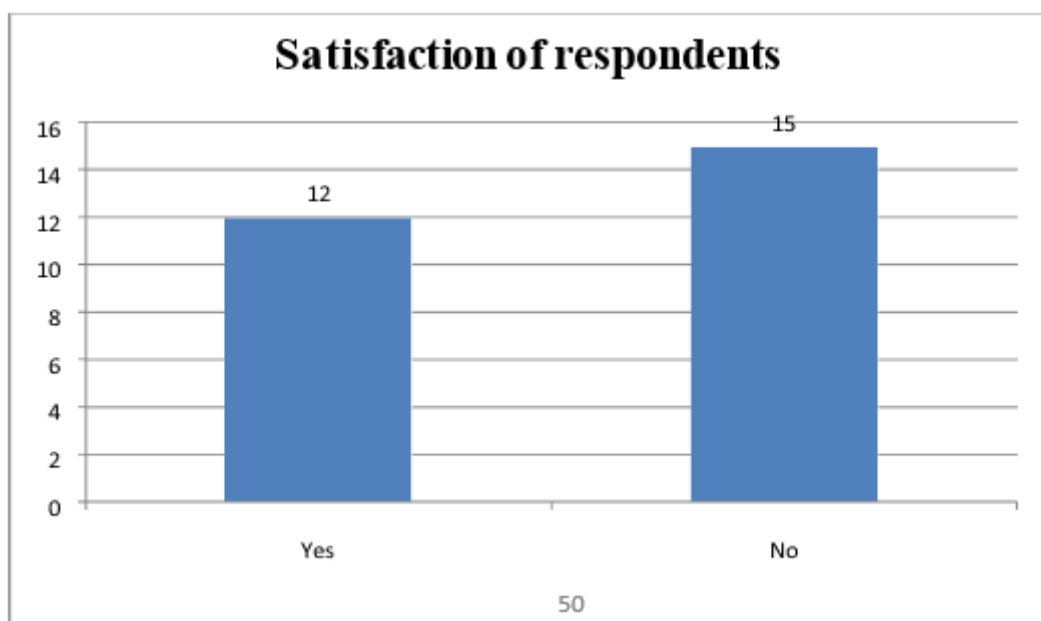
Interpretation:

52 Percent in the sample size gives more weightage to price than any other factors like services, Quality or star rating etc. and this is because of the fact that 85 percent of the sample population is Indian and as everyone knows Indians are always price conscious.

8. Satisfaction of respondents on services of OYO. Table: 1.14

Satisfaction	No of respondents
Yes	12
No	15
Total	27

Graph: 1.14



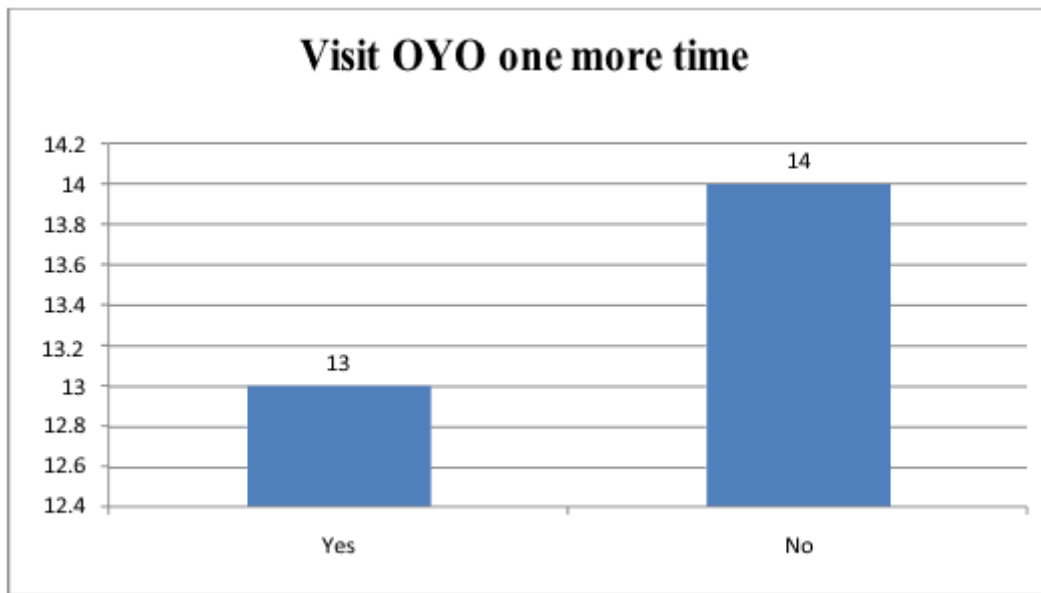
Interpretation:

55 percent of the sample population are not satisfied by the services OYO.

9. Once visited OYO whether Respondents want to visit OYO one more time.**Table: 1.15**

Visit OYO one more time	No of respondents
Yes	13
No	14
Total	27

Graph: 1.15



Interpretation:

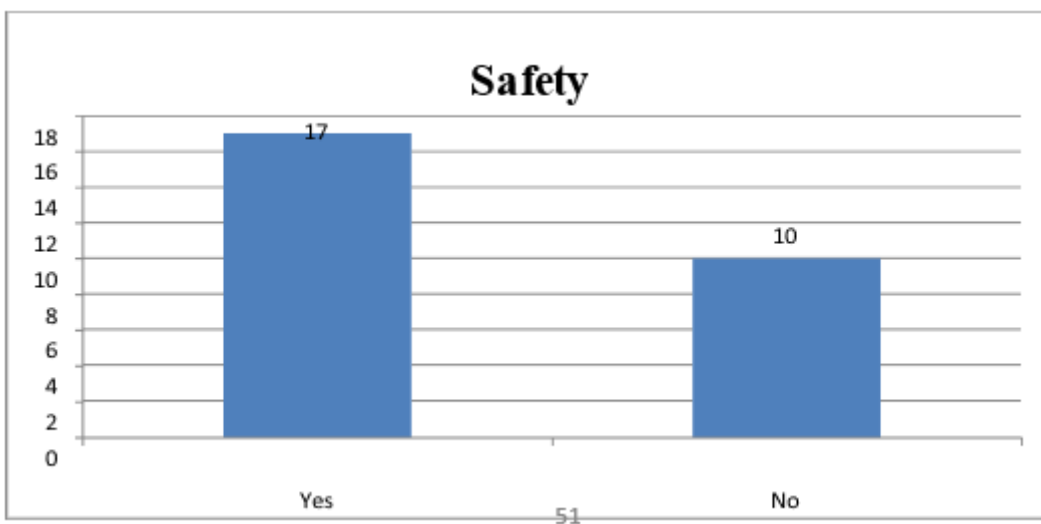
52 Percent of sample population if visited once doesn't want to visit OYO one more time. This is because of the fact that they are not satisfied by services of OYO.

10. Respondents think OYO is not safe.

Table: 1.16

Safety	No of respondents
Yes	17
No	10
Total	27

Graph: 1.16



Interpretation:

63 percent of the sample size feels that OYO is not safe with regarding to stays.

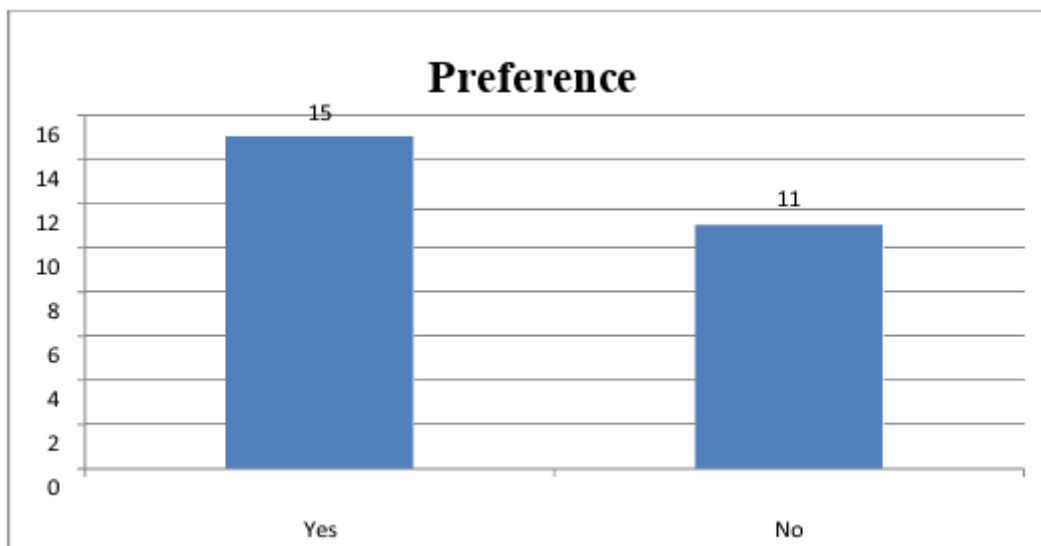
This can be further proved by an incident that takes place on 3rd of May 2018 which was "OYO hotel manager arrested for raping woman guest in Gurgaon"

11. Preference of Respondents on OYO rooms over OYO homes every time they travel.

Table: 1.17

Preference	No of respondents
Yes	15
No	11
Total	27

Graph: 1.17



Interpretation:

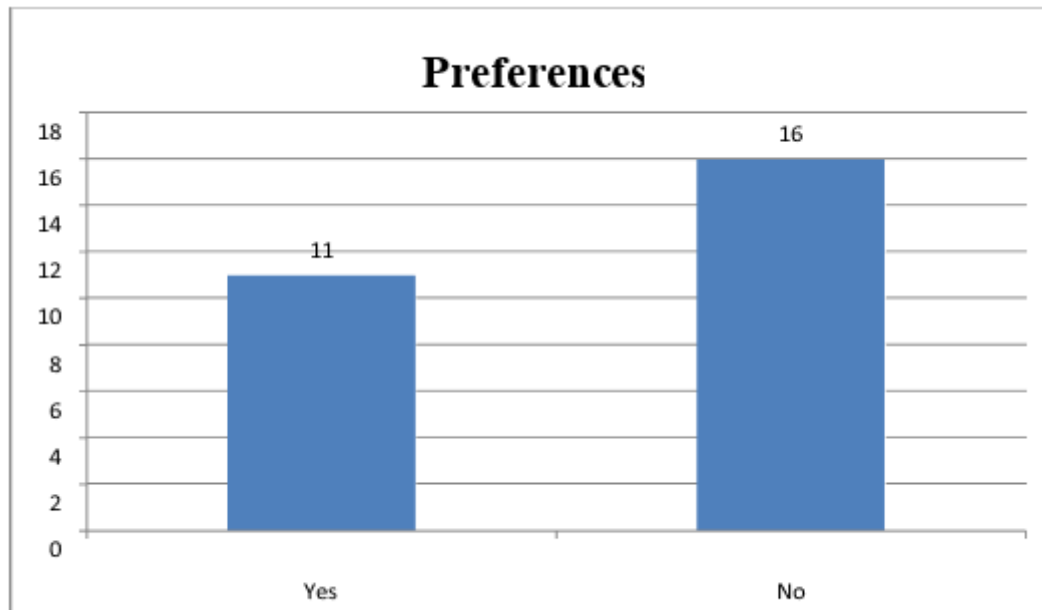
57 percent of the sample population prefers OYO rooms over OYO homes and this is because of the fact that OYO homes are more unsafe than OYO rooms because its location is far from the main populated area.

12. Preferences of Respondents on OYO rooms or homes Every time they travel.

Table: 1.18

Preferences	No of respondents
Yes	11
No	16
Total	27

Graph: 1.18



Interpretation:

60 percent of the sample population doesn't prefer OYO rooms or homes because of the following reasons.

1. Respondents prefer better deals from other websites.
2. OYO not providing satisfactory services to their customers.
3. Safety for women and visitors is not given priority by OYO.

2. Questionnaire 2 (OYO officials)

2.1. Respondents profile:

1. Number of years working with OYO Table: 2.1

Years	No of respondents
0-5	1
6-10	1
11-15	-
Total	2

Interpretation:

Out of the two respondents the one is working with OYO from 0 to 5 years and the other respondent is with OYO from 6 to 10 years.

2. Designation

Both the respondents are currently working on the post of manager in OYO.

2.2. Findings:

1. Failure of OYO homes in UAE. Table: 2.2

Failure of OYO homes in UAE	No of respondents
Yes	2
No	-
Total	2

Interpretation -

All the respondents is of the opinion that OYO homes is a big failure in UAE.

This is because of the following reasons.

a. Doesn't suit mentality of UAE residents because the concept of OYO is providing services at the most cheapest rates however the UAE mentality is such that they feels that anything which is cheaper is Inferior and therefore they need superiority in every where they spend money.

OYO rooms are the cheapest which can be supported by the following

“OYO has disrupted the entire market drastically,” said Budget Hotel Association of Mumbai president Ashraf Ali. “Rooms that we used to sell for Rs 2,000-2,500 are now being sold for Rs 800-900. Because of funding they are able to sell rooms at much lower rates. The minimum guarantee fee is also not coming, so we are not left with a choice.”

b. Lack of proper planning - This can be further proved by a Visitor's experience - Kshitij Sharma, who was travelling to Chennai from Bengaluru for work, booked a Townhouse for two nights. There was no water in the bathroom and the AC of his room was not working. He complained and was told they were working on the issue. He waited for 30 minutes, but things didn't change and he decided to check out. “I am not sure I want to try OYO again,” he says. This can be corrected through proper planning because if they plan before allocating rooms to visitors this things can be checked.

2. Strengths of OYO

According to our respondents following are the strength of OYO

- Cheapest rates
- 24/7 customer care services (Whats App customer service is the new innovation in this)
- Efficient transformation of existing hotels.
- Tech enabled property management - provide the foundation for the company.
- Local leaders and Localisation for each country.

China business is led by chief operating officer Sam Shih, who used to serve as chief executive at Asia Pulp & Paper, a giant in the industry. Jeremy Sanders is the head of OYO in the U.K. An entrepreneur, Sanders co-founded Italian food chain Coco Di Mama.

Localisation is key. In Japan, for example, the focus on cleanliness is the highest. Hence, doors that shut automatically are a must. In Saudi Arabia and *UAE*, each room, has an arrow to indicate the direction for Mecca to help the majority of travellers pray which means to recite Namaaz.

3. Weakness of OYO

According to our respondents following are the weakness of OYO

3.1. Lack of Transparency - Sometimes OYO shows something else on their platforms and the visitors or Tourists get something else.

This can be proved by the statements of OYO users.

a. First User Experience

My experience was worst in OYO because they show something else and provides something else to us. According to my experience they showed an awesome picture of the hotel which was a 3 start rated hotel

so I just booked that hotel but when I actually arrived there the reality was totally different because the location of the hotel was in a red light area and all the liquor shops near the hotel it was totally an unsafe area. And even the hotel is not looking like a 3 start hotel it is not even 1 start hotel because there was **no reception also** in that hotel, no parking facility nothing like a hotel only.

- **Dr. (Mrs.) Sanchita Datta. (Ph.d)**

b. Second User Experience

OYO PAYMENT RECEIPT			
Guest Name: Mustafa K		Date: 04/09/2018	
Hotel Details OYO 15826 Pingara Executive, Pingara Executive, 2nd Floor, Shewalewadi Phata, near Manjarl Farm, Pune Solapur Road, Hadapsar, Pune		Check In 03/09/2018	Check Out 04/09/2018
		Rooms 1	
		Booking ID VTNK9026	Payment Mode Cash at Hotel
DESCRIPTION	RATE	AMOUNT	
Room Charges	Rs 840 x 1 Night x 1 Room	Rs 840	
Other Charges	Meal Plan Charges(Rs 0 X 2)	Rs 0	
Grand Total		Rs 840	
Payment received by OYO	Paid through Cash At Hotel (Rs 840)	Rs 840	
Balance (If any)		Rs 0	

According to my experience and opinion during my stay at OYO the services that OYO provides are not satisfactory and not world class at all because OYO needs to improve in the following number of aspects.

i. **Check in time** - The check in time for me is 12:00 a.m. to 11:00 a.m. If I checks in before that time for example at 10.00 p.m. then I have to check out at 9:00 a.m. and if I checks out at 9:30 I have to pay second day charges and this is totally unfair because if I will be free two hour before check in time then what should I do for that two hours and if my train is at 9:00 a.m. then my money for 9.00 to 11:00 is fully waste therefore this needs to be corrected.

ii. **Foods should also be provided.**

iii. There must be **Indian toilet seats** should also be available with **English toilet seats** because every individual had it's own tastes and preferences. or OYO can on its app or website provides with this option so that visitors can select those hotels which provides them with that facility.

iv. **They must provide visitors with Lift facility** - Lift facility is one of the most important services which can be provided by any hospitality firm to visitors because now a days the visitors that Visits for the purpose of treatment if they don't get a room on ground floor then they have to climb the stairs which they cannot afford to. Even those who travel for Leisure and Entertainment but with parents they also do not visit that hotel which do not have lift.



So OYO has to provide an option of Lift on their website and app in description of hotel so the visitor can select the hotel as per his terms and conditions.

- **Mr. Mustafa Khokhar, M.com, BAF.**

3.2. Lack of basic important services.

3.3. Lack of additional services.

3.4. Lack of consistency in providing services which means they sometimes provide world class services but they fails to repeat it again and again.

4. Opportunities for OYO with respect to Competition.

According to our respondents following are the opportunities for OYO with respect to Competition.

a. Explore whole of India including small towns, Villages etc.

b. They can create loyal customers by providing best services and unforgettable additional services for example -

This can be explained in following steps.

i. When a Tourist visits in OYO they can ask for his birth date and then save it in the records with all the details including name.

ii. On his next birthday Company can send him a personal message wishing him happy birthday.

iii. If that customer visits on his birthday then they can surprisingly announce it in the hotel, give him a birthday gift and can cut a Cake This hardly involved any high cost but can impact the customer on his heart and makes the loyal to OYO Company for sure and it also gives mouth to mouth publicity also.

5. Threats for OYO with respect to Competition

Following are the Threats for OYO with respect to Competition and according to our respondents.

- Inconsistency
- Lack of Transparency
- Lack of qualified hospitality staffs.
- Lack of loyal visitors because Visitors are not satisfied by services of OYO.

6. Actions that taken to ensure safety and security of OYO visitors including women safety.

Safety and security can be ensured by applying the following idea

This can be done in following steps.

a. An option of **One time security registration** should be introduced in the OYO app.

b. This feature includes

- Name
- Gender
- Users mobile number

- Users relative Mobile number.
- Submit
- Create shortcut

c. How it works -

The most important thing is it doesn't require GPS and if the person is panic at any time and shouts in panic then OYO app and this feature automatically turn on and shares the location by a text message to the OYO group and as well as to the number of relative mentioned earlier with the police also.

(This feature can specially track those shouts which a person can produce at the time of problems and panic situations such as Heart attacks, Asthma attacks, Rape etc.)

7. To check authenticity of visitors

Respondents take Government issued IDs from their visitors and cross checks them through their software's is only sole action that is taken by the respondents in order to check the authenticity of their Visitors.

8. Usage of digital data sharing

All the respondents indicates that they do not use Digital data sharing with Government.

But actually in reality they use this may be this managers are not aware about it or maybe they are not actually applying this but only using this as a tool of publicity.

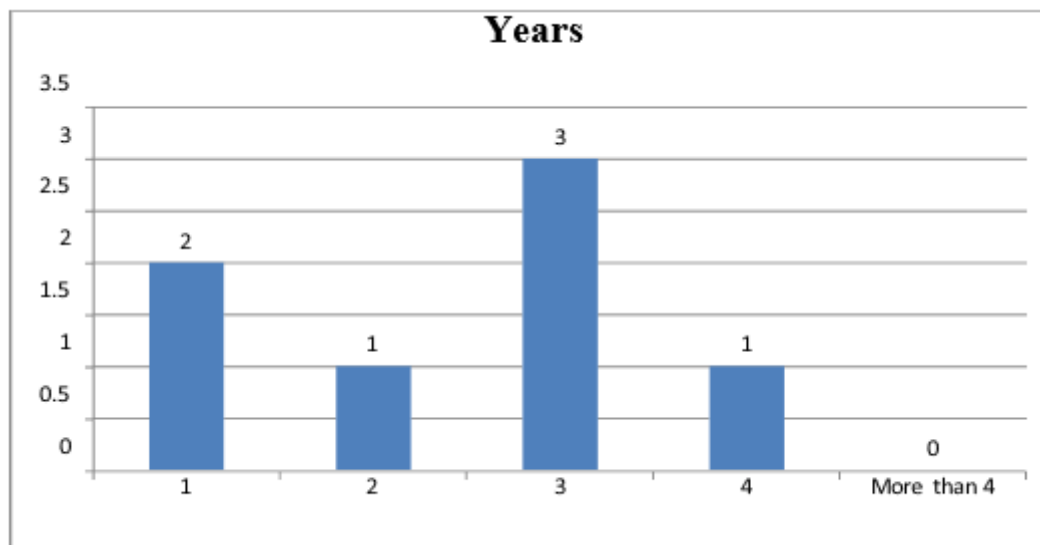
3. Questionnaire 3 (Asset owners)

3.1. Respondents profile:

1. Years with OYO Table: 3.1

Years	No of respondents
1	2
2	1
3	3
4	1
More than 4	-
Total	7

Graph: 3.1



Interpretation -

Out of the seven Respondents One is partnered with OYO from last 4 years One is with OYO from last 2 years and two hotels are partnered with OYO from last 1 year and four hotels are partnered with OYO from last 3 years.

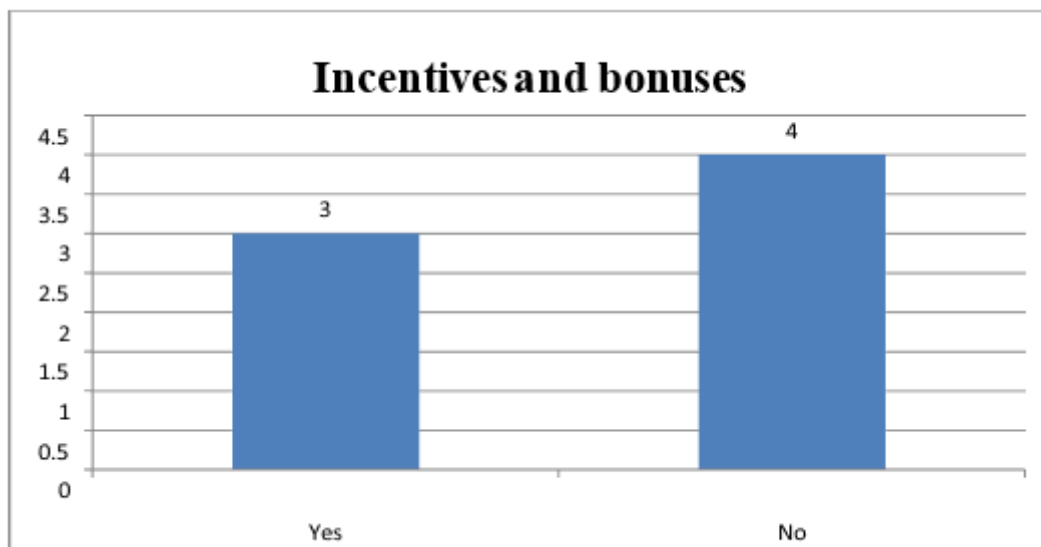
3.2. Findings:

1. OYO provides with incentives and bonuses for generating more and more bookings or for getting higher ratings by customer.

Table: 3.2

Incentives and bonuses	No of respondents
Yes	3
No	4
Total	7

Graph: 3.2



Interpretation –

57 percent of the sample population doesn't getting from OYO any incentives and bonuses for generating more and more bookings or for getting higher ratings by customer and this is because of the fact that the asset owners are not getting timely payment only then how this OYO people will provides them with any bonus or incentives which is next to impossible.

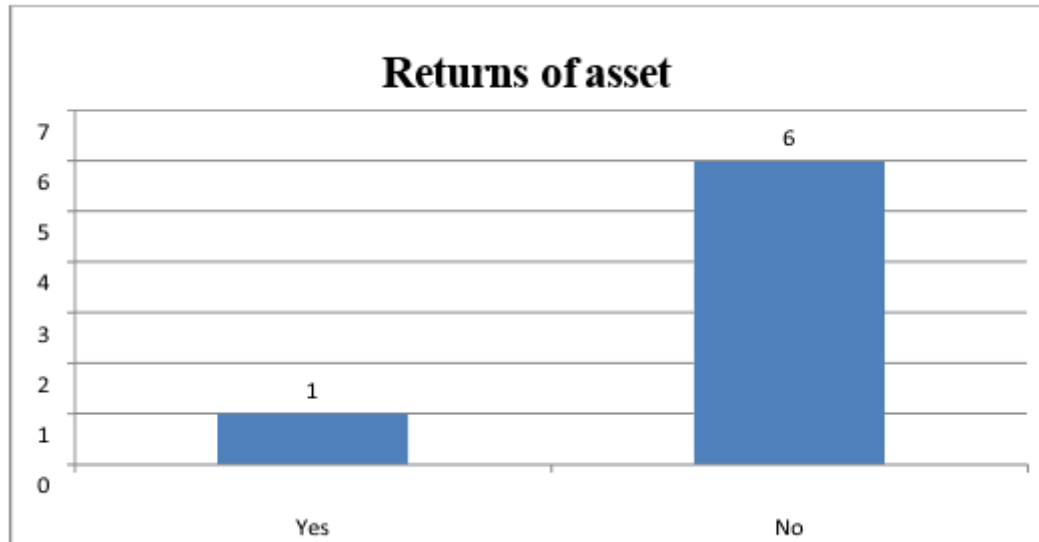
2. After tying up with OYO the returns of asset owners has been increased.

Table: 3.3

Returns of asset	No of respondents
Yes	1
No	6

Total	7
-------	---

Graph: 3.3



Interpretation -

More than 85 percent of the sample population is of the opinion that their returns has not been increased at all after tying up with even some are complaining for diminishing returns.

According to respondents following are the reasons for not increasing returns.

1. Margins are decreased - With decrease in margins they have to provide with more services and at a decreased margin to customers as compared to before OYO era.
2. They have to maintain some extra facilities not demanded by customer.
3. Most visitors prefer other highly rated 5 star hotels.
4. Prices remains same but they have to provide services more than that price.
5. Customers are not attracted with the name OYO rooms. They find their services not worth for their money.

As said in science that one things triggers other this is exactly the same with OYO. Because the asset owners are not generating expected revenues therefore they cancels bookings of customers without giving any prior notice. This can be proved by the case explained below:

On **24 July 2019** an unnamed person booked a hotel with reference number HTLJW8BU99 and Hotel Booking Id: 0052586439. The hotel name is OYO 2703 Apartments, Salt Lake, Sector 3, Kolkata.

He made this prepaid- non refundable booking on 24 June(a month before his check in date) and he have mentioned the check in time as 9.30pm from 23 July-26 July, however due to some turbulence his flight from Delhi to Kolkata got delayed and he reached Kolkata at 10.30pm. he arrived the hotel location at 11.15, Since 11.15 to 11.45, he was banging doors of hotel but no body opened.

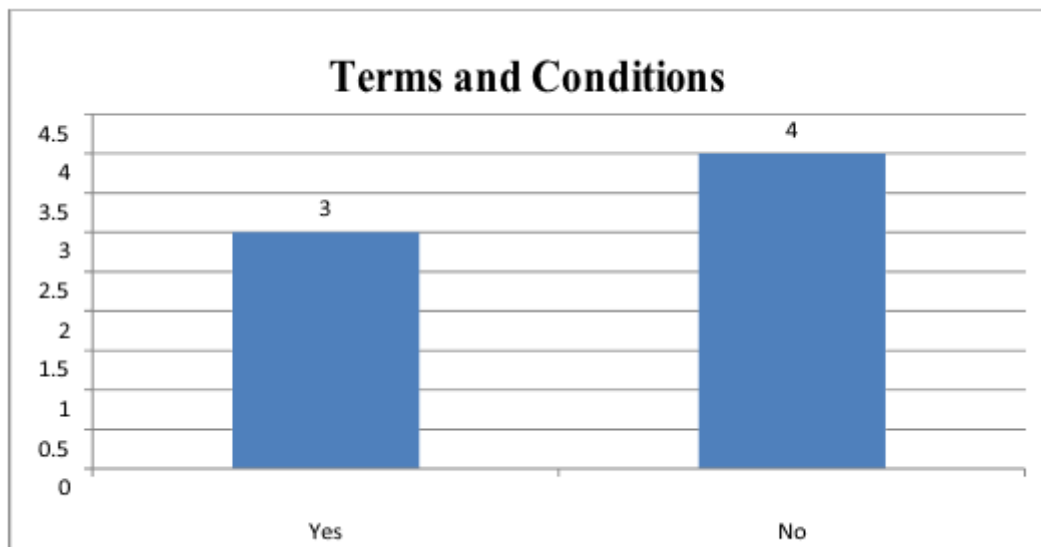
He called OYO customer Care multiple time to tell them that his check in would be delayed because of delayed flight but nobody connected him to hotel authority.

Somehow by calling OYO customer care he got the contact details of hotel guy and when he called him and said that he have been waiting since half an hour outside his hotel. *That guy refused him to enter in the hotel saying that he has already sent a notification Email to OYO that this booking has to changed as he can not offer his rooms at this cost. But he haven't received any email from OYO. In fact at

6.30pm on 23rd July he got a notification from OYO saying "Hope you are enjoying your stay at OYO 2703 Apartments".

Terms and Conditions	No of respondents
Yes	3
No	4
Total	7

Graph: 3.4



Interpretation -

57 percent of the sample population are not satisfied with the terms and conditions of the OYO Company.

This is because of the following reasons According to our respondents

1. Too much restrictions - The Hotel and Asset owners had to do those things which are said by OYO.
2. Pressurized Owners - The OYO people continuously pressurized hotel owners to serve visitors and provides them with world class services at the prevailing rates.

Timely payment	No of respondents
Yes	3
No	4
Total	7

Graph: 3.5



Interpretation -

More than 55 percent of the sample population does not get timely payment from OYO company.

This can be proved with an incident that takes place on 20 December 2018.

Hotel owners in Delhi are upset with OYO due to the alleged delay in payments. Many are even considering snapping ties with the hotel room aggregator, say industry observers.

Some hotels contend that they are awaiting payment from OYO for the past four months. Says an owner who runs a hotel on the Desh Bandhu road in Paharganj area: “Earlier, our occupancy was at 80 per cent. So, we decided to tie up with OYO. Though it is a fact that our occupancy went up after our deal with OYO, payment continues to be an issue.”

He added that most of the bookings are done through the app and OYO pays later as per the agreement it has signed with the owners. But he rues the fact that OYO still owes him ₹1,50,000.

“Now, if the customer books and pays through the app, he/she won’t get the room in hotel. They need to pay us in cash at the reception to avail a room,” he said.

Imran (name changed), a manager at an OYO property in Arya Nagar, Paharganj, said: “Not only has there been a delay in the payment, we are also being charged for the facilities not in the agreement. For instance, now we are being charged for the tablet which has been given to us by OYO.”

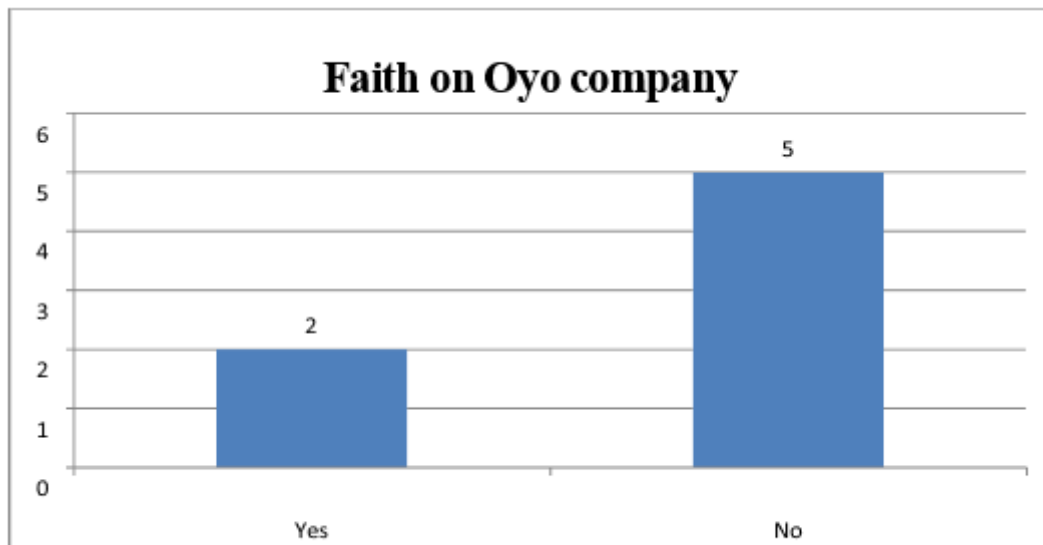
Imran too says that OYO is yet to pay him ₹1,00,000, which is pending for the past two months.

5. Hotel owners and Asset owners had faith on OYO company so that their relationship with the company can extend for coming future number of years.

Table: 3.6

Faith on OYO company	No of respondents
Yes	2
No	5
Total	7

Graph: 3.6



Interpretation -

71 percent of the sample population does not have faith in OYO company so that their relationship with the company can extend for coming future number of years.

This can be further proved with a case that takes place on 14th of February 2019 which is explained below.

According to some recent media reports, over 200 hotels have ended their agreements with OYO over mismanagement of contracts, arbitrary charges and other disputes. and some others also want to exit and end contracts but are stuck for various reasons.

Budget hotels in New Delhi's Paharganj area, which had partnered with online aggregator OYO, may soon end their agreements with the company.

Speaking to FE, Pradeep Shetty, honorary secretary and chairman for legal matters at Hotel & Restaurant Association, Western India (HRAWI) and board member of the Federation of Hotel & Restaurant Associations of India (FHRAI), said: "Hotels are ending their arrangement as well as agreement with OYO across the country." He, however, did not provide the exact number of hotels that would be severing ties with OYO.

Gurbaxish Singh Kohli, HRAWI president and FHRAI vice-president, said more hotels are breaking their pacts with OYO as the terms initially agreed upon have been breached. He added that budget and smaller hotels across India, which notified OYO but didn't receive a satisfactory response to a request for a review of their contracts within a stipulated time, are refusing to accept further rooms booked through OYO.

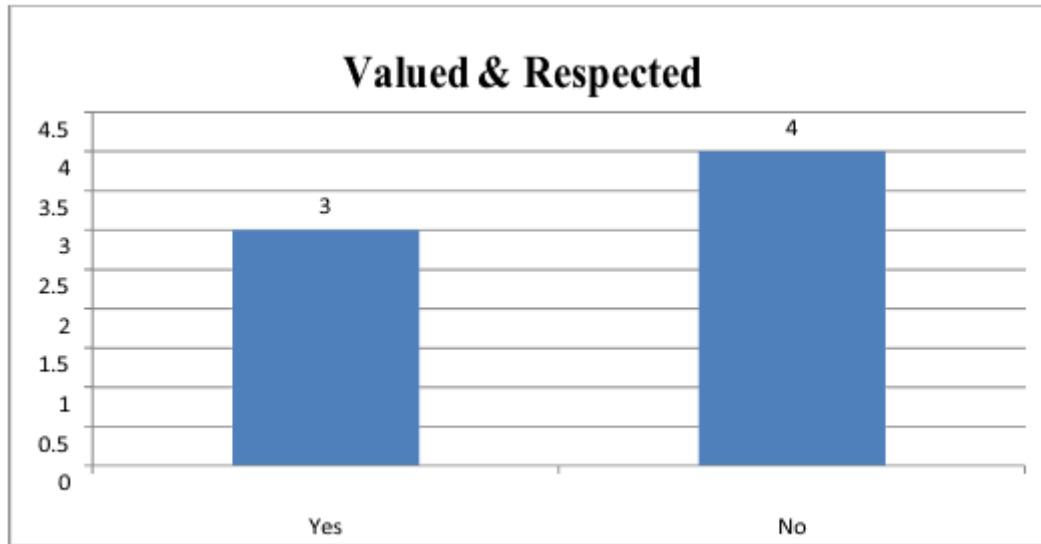
6. Asset owners get valued and respected by the OYO Company like they do value and respect their Visitors.

Table: 3.7

Valued and Respected	No of respondents
Yes	3

No	4
Total	7

Graph: 3.7



Interpretation -

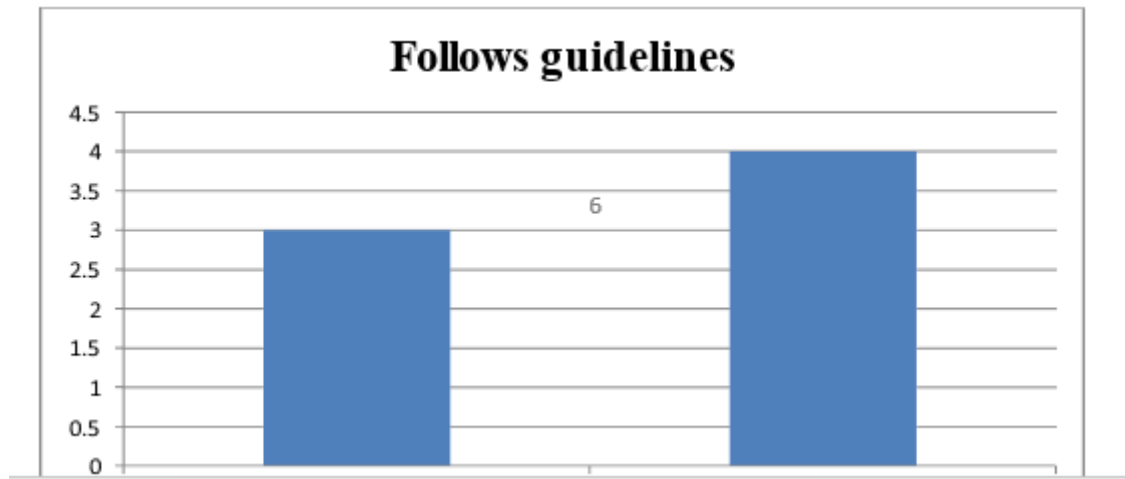
57 percent of the sample population does not get valued and respected by the OYO Company like they do value and respect their Visitors. This is because of the following facts:

1. As proved in point number 5 OYO company is not worth to trust by Asset Owners then how OYO company will value and respect them.
2. OYO company is not providing asset owners with timely payment then how someone expect them to value and respect asset owners like they do value and respect their visitors.
7. **OYO company strictly follows guidelines of asset owners like (children are not allowed, smoking and drinking not allowed etc.)**

Table: 3.8

Follows guidelines	No of respondents
Yes	3
No	4
Total	7

Graph: 3.8



Interpretation -

More than 55 percent of the sample size and respondents feels that OYO company does not at all follow guidelines of asset owners.

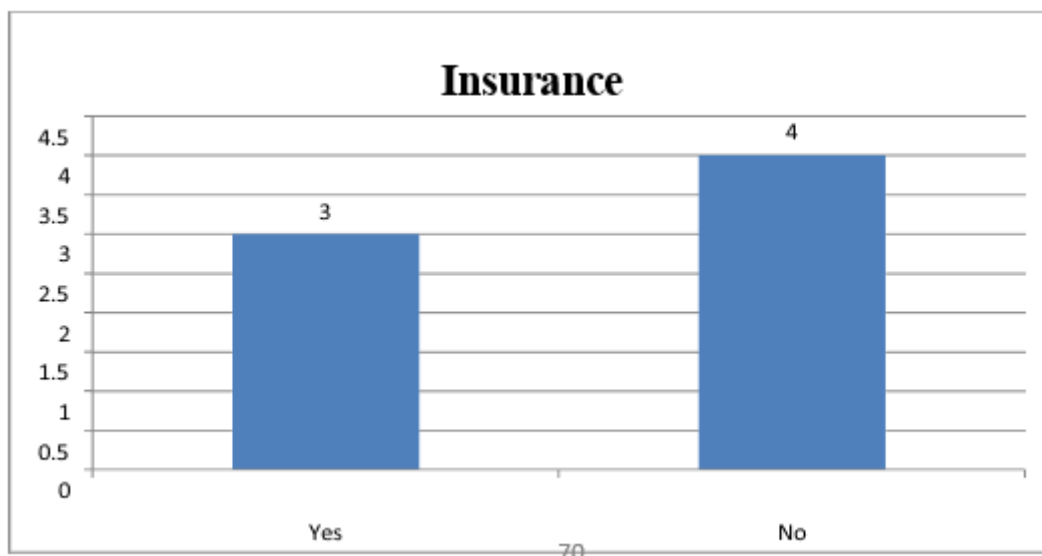
Because as explained earlier OYO company does what they feels right and as they do not value and respect asset owners they do not follow their guidelines too.

8. OYO company had taken insurance of asset owner's properties and belongings to prevent damages.

Table: 3.9

Insurance	No of respondents
Yes	3
No	4
Total	7

Graph: 3.9



Interpretation -

More than 57 percent of the sample population and respondents is of the opinion that OYO company

had not taken any insurance of asset owner's properties and belongings to prevent damages like (precious paintings broken).

This is because OYO company does not value asset owners only then how they take Insurance for asset owner properties which is next to impossible.

CHAPTER IV - HYPOTHESIS AND CONCLUSIONS

I. HYPOTHESIS

“OYO rooms and homes are not successful in UAE”

This can be proved with the following sub hypothesis

A. 1H1 - Visitors prefer OYO rooms or homes every time they travel.

1H0 - Visitors does not prefer OYO rooms or homes every time they travel.

B. 2H1 - OYO officials is of the opinion that OYO rooms or homes are successful in UAE.

2H0 - OYO officials is of the opinion that OYO rooms or homes are not successful in UAE.

C. 3H1 - Asset Owners of OYO are satisfied with the Company.

3H0 - Asset Owners of OYO are not satisfied with the Company.

II. Hypothesis Testing: Testing of Hypothesis A

H0 $\pi < 75\%$ H1 $\pi > 75\%$

Sample Proportion $P = 10 = 0.37$

27

$Z_{\text{tab}} = \frac{P - 0.75}{\sqrt{(0.75)(0.25)}}$

$\sqrt{(0.75)(0.25)}$

$(27 - 1)$

$= \frac{0.37 - 0.75}{\sqrt{0.0166}}$

$\sqrt{0.0166} (26)$

$= -22.891$

$Z_{\text{cal}} = 1.645$

Reject H0 if $Z_{\text{tab}} > Z_{\text{cal}}$

$22.891 > 1.645$

Thus, we reject H1 and accept H0.

“Visitors does not prefer OYO rooms or homes every time they travel.”

Testing of Hypothesis B

Testing of Hypothesis B with reference to questionnaire 2 (OYO officials) no. 1 of findings
Failure of OYO homes in UAE.

H0 can be proved because both the OYO officials is of the opinion that OYO rooms and homes are not successful in UAE.

Testing of Hypothesis C

Testing of Hypothesis C with reference to questionnaire 3 (Asset owners) following number of findings:
2. After tying up with OYO the returns of asset owners has been increased.

4. Asset owners get timely payment from OYO Company.
5. Hotel owners and Asset owners had faith on OYO company so that their relationship with the company can extend for coming future number of years.
6. Asset owners get valued and respected by the OYO Company like they do value and respect their Visitors.

(This numbers are as per the questions in questionnaire (Assets owners))

Impact	Respondent
Positive Responses	2
Negative Responses	5
Total	7

By clubbing the results of all these 4 questions we come to the conclusion that H0 is accepted and H1 is rejected.

“Asset Owners of OYO are not satisfied with the Company”

II. CONCLUSIONS

So from all this study we can easily conclude that

- 1. Visitors does not prefer OYO rooms or OYO homes every time they travel.**
- 2. OYO officials is of the opinion that OYO rooms or OYO homes are not successful in UAE.**
- 3. Asset Owners of OYO are not satisfied with the company.**

Because all the above mentioned statements are proved we can finally conclude and hence proved that
“OYO rooms and OYO homes are not successful in UAE”.

This study had further thrown lights on the fact that specifically OYO homes also fails in UAE because of the fact that respondent prefers OYO rooms over OYO homes every time they travel.

This study shows that OYO definitely provides some world class services but they need to improve in some major concerning areas such as they have to give more emphasis on safety of Visitors and specially on women safety.

They have to provide some more basic important services which includes safety, transportation and lift facility, this services are need of the hour in today's competitive world.

They also have provide some more additional services to their Visitors such as:

- i. All day breakfast.

- ii. Pick up /Drop off services and Ticket Bookings on OYO app.
- iii. Offer something free like a pack of mints etc.
- iv. Luggage forwarding.
- v. Rental clothing.
- vi. High tech state of the art TV.

OYO also had to learn business tactics from its competitive firm Airbnb, about the management of properties in such a way that they can utilize the properties to its core to give full satisfaction to its visitors. **One more important thing OYO has to see and learn from Airbnb is that Airbnb does not own any property but in spite of that they are world's leading hospitality industry so OYO also had to expand its business everywhere but do not have to purchase properties.**

It is a fact that OYO fails in UAE but it is not the end of the world because there is a lot of scope for OYO in Dubai expo in 2020 where they can turn their fortunes and they can correct their mistakes and be successful in UAE if they do not purchase properties else they can do things like Airbnb and merge hotels and homes in OYO.

The mentality of UAE people is such that anything thing cheaper is Inferior so they prefer to purchase things which are costlier because it shows their supremacy however Indians are price conscious and prefer cheaper rates therefore OYO is successful in India but UAE people are not Price conscious and does not prefer cheaper rates else they prefer higher rates therefore if OYO wants to be successful in UAE they have to merge properties in OYO and they have to sell OYO rooms and homes at higher rates only. This thing can make them successful in future.

This does not mean that they have to charge very high and at a very high premium and also they do not have to charge very low from their customers thinking Visitors will attract low pricing policy because low pricing policy will not fetch them any customer and returns with high volume instead they tend to loose customers and Visitors for sure because it is not India that they will attract Visitors with predatory pricing but it is UAE therefore they have to plan and make such a pricing policy which not so cheaper and not so costlier the pricing policy must be between cheaper and costlier.

They should attract those Indians in UAE which are staying there for job purpose or Visits for Leisure and entertainment therefore their pricing policy must be differ for each individuals and each Nationals.

For example they must kept a predatory pricing for Indian Nationals and a combination of predatory pricing and high pricing for the Nationals and residents of UAE.

Now the question is how they should know the nationality of visitors. It is very very simple they must have to use Digital data sharing and they can get ID proofs of visitors which they shares with government and government confirms and authenticates the originality of documents provided by the Visitors and customers. This is the way they should know about the nationality of their visitors.

If they want to be successful in UAE they do not have attract customers and Visitors they also have to keep the Visitor and customer in their hotel for long run which is known as GUEST RETENTION. This can be further achieved by providing the customers and Visitors with the following:

1. Customer/Visitors satisfaction - The customer must leave our Campus happily with lots of smile on his face and our staffs must be such that customers will forget all stress and tension by just entering in the hotel's premises. Satisfaction in services also means providing the customers the services in such a way that are surprised with that which means providing them more than their

expectations.

2. Quality in services - Now this is not a rocket science this is the in the understanding of each Businessman. But the main point here is they do not have to focus on quantity of services which means providing end number of services else they have to focus on quality of services which means they can provide lesser number of services but should provides those services to customers with perfection which means innovating those services day by day, hour by hour.

But as of now and in the current scenario it is true that **“OYO rooms and OYO homes are not successful in UAE”**.

Chapter V. Business Proposal

5.1. Introduction

1. What is the best business to start in Dubai?

The best business to start in Dubai, UAE is one that:

Revenue is high

Expenses and overheads are low

This is as simple as stating $1+1 = 3$. And if you can get $1+1 = 7$ or more then even more better.

So now how can you reach this? Seriously? How can you make this a reality? After all - doesn't everyone and anyone have to follow the same process?

That is where you are wrong. Let us share a few pointers with you how you can do this so now here is the secret.

2. LOOPHOLE IN THE SYSTEM

Ensure you find out the loopholes in the system. There is no better way to make money than to know the loopholes that no one is talking about. And remember this much EVERY SINGLE SYSTEM on this planet has a loophole. But to find this out - you have to spend time and research.

3. VISA LOOPHOLE

Purchase a visa or have someone give you a visa for free. Most people purchase a Residency Visa or Working visa for AED 15,000 per year. You can get a visa for free from a friend of yours because you knew him. This is not 'legal' per se. Neither is it 'illegal'. But then again if you are not caught - who would know?

4. BUSINESS LOOPHOLE

Do you know you can buy/sell to anyone online without anyone knowing? My friend has a nice little facebook business page with a really sexy picture of some freelance model on it (Because of which she gets over 100 people adding her up for free every single day) And she uses her FB page to not only share some nice pictures of this model every single day (which are not hers) but also products she is selling. And these people are very kind to show their support to her by purchasing the products but also helping her out.

5. FACEBOOK LOOPHOLE

Do you know that you can create a FB business page in the UAE and buy cheap but good products from India at \$5 a piece and selling them for \$20 a piece? And if you advertise 100 products at a so called jumbo sale while targeting the poor bored house-wives you can make some serious money? My friend PER DAY makes around \$1000 in profits. Best part - she is a simple housewife.

6. POLICY LOOPHOLE

There are TONS of filipino tattoo artists in the UAE who keep getting arrested for working as Tattoo artists under some one else's visa. They get arrested. They get their tattoo equipment taken away. And

after 1 week they are released. Why? Because they didn't do anything "illegal" as nothing they did is stated in the law as "illegal" And that is why they make over AED 50,000 to AED 100,000 per month sometimes as income.

7. EDUCATION LOOPHOLE

Do you know that even today you can get FAKE degrees attested and make them legal in the Middle East? We are not joking. Even right now at this moment there are Legal companies providing this service of giving you fake degree certificates and they advertise in papers, on their websites, on your cell phones and via emails. All you have to do is check "Attestation Services" in the UAE. And once you get pally with one of the executives - they will guide you how to get a Fake piece of paper and get it 'legally attested' in the UAE. And the best part about this whole exercise is - people only use this paper to help you get the visa. And once this is done - you can keep your well earned 'fake' (now legal) paper until you have to get a re-stamp. Please check footnotes for newspaper links to validate my claim

8. BUSINESS CARD LOOPHOLE

Do you know that you can create, print and write ANYTHING on ANY BUSINESS CARD and there is no way to verify this claim? When we were in 20's we used to walk in and out of companies showing "Director" on my business card. And if you want add even more impact - rent out of a super-expensive car for the day, wear a nice rented suit and take your fake business cards - no one will stop you.

9. WEBSITE LOOPHOLE

Do you know that you can claim anything on your website and no one bothers to check? Try it out. I know so many of them who have attempted to this in the UAE. You can copy/paste all the information from anyone's website. And if you pay USD 200 to some poor chap in Pakistan or India - he will create a spectacular website for you with all the content and images that will make you look like the next billionaire.

10. OUTSOURCE LOOPHOLE

I used to charge \$1,000 for a service which I used to get done for \$212 in India. Get 10 of this per month - guess how much money you are making? There are so many people who 'think' they know how to search the Internet for services. But if you play your cards right - you will get tons of money.

11. GOOGLE ADWORDS LOOPHOLE

Try this - Google Tony Robbins UAE and see what you get. You will get stuff companies claim about Tony Robbins that is NOT AT ALL endorsed by him. However almost ALL the people who have used this loophole are making money because they have purchased either/or this adword. We know of one person who makes literally \$100,000 net profit per month doing this. And even better - he is not based in UAE. He just comes to UAE on 'visit' does an event with pirated material and goes back to his home town after finishing his 'life changing seminar' and issuing dummy certificates making them feel they are 'qualified & certified' coaches. So the moral of the story is - if you purchase a very popular adword - your chances of being associated with that brand remains high - even though you have nothing to do with it

- and you can charge A LOT OF MONEY for it.

12. 2ND HAND MARKET LOOPHOLE

There are tons of websites in the UAE where they buy/sell goods, products and services in the name of '2nd hand products'. My friend alone nets close to USD 2,000 per month just doing this. What he

does is purchase stuff from people leaving in a hurry or emergency - and then puts his mark up and leaves them there for sometime. Eventually someone comes and purchases them for a higher margin. I did this with books and clothes. I made 200% profit every single time.

13. REGISTRATION LOOPHOLE

Remember take fake degree issuing educational company which we told you about? Well, do you know how they are able to do business in UAE? Check out how the owner (who was a cleaner in South India) managed to do it.

- He has opened the business in his Father name,
- The authorized signatory is someone else,
- The person who signs most of the documents is his wife
- The company is opened in Ras Al Khaima
- Has a Toll Free Number (which can be anywhere in the UAE),
- The phone line diverted to Sharjah where he has a group of boys working,
- The sales office is a 'regional office' in Dubai - which is under the name of some other company - where the signboard says X group but when you walk inside - it says Y being part of the (since Dubai is where the money is)
- The company operations happen in Ajman secretly in a studio apartment (where it is super cheap)
- And all the sales people are asked to work outside without reporting to the office but to come 'home' for a meeting end of the day
- Examinations for these candidates is in some cheap hotel room where the signboard outside says 'silence please meeting in progress'

14. EMPLOYEE LOOPHOLE

The majority of the people looking for jobs in the UAE come from Third world countries. And these poor chaps do not know head or tail of what goes on in the Middle East. I personally know so many reputed businessmen who go to these countries and they ACTUALLY TAKE MONEY from the Candidates to give them a guaranteed job in the Middle East, make them work for the so called 'probationary period' where they either delay their salaries or tell them - we will pay you 'next' month (which goes on for months and month) and finally when their visa time is up (as they have come on a visit visa), they ask them to go back home as they are promised a visa + their salary. Once they go back trusting the agent/employer - well - bye bye. Once you are sent back - who do you go and complain to?

15. LEGAL COURT LOOPHOLE

This one still goes on and is very rampant in the Middle East. Lets assume you have not been paid money or you do not want to pay money to someone who has worked for you or supplied you with services. Simply do this. Ensure the company is registered under a very powerful or influential Local Arab who has connected and contacts in the right places. We can assure you this much - no one and we mean no one can touch you. For example - lets say you supplied material to a government based project in the Middle East. And your payment was delayed or they refused payment bringing up any new clause or reason - so you as an Expat - what will you do? Take the government entity or the big Arab Local name to court? Do you have the power, finances & legal expertise to succeed? And you do not have go very far to know if what I am saying is true. Speak to people in the construction industry.

5.2. Business Plan

Housekeeping Services.

[Childcare services, maid services, cleaning services (Bathroom and toilet), dry cleaning services, garden services and old age care taker services.]

1. Problem

It is always a problem in UAE that persons rendering housekeeping services are very scarce. It is because of the fact that the residents of UAE are very rich and therefore they had mentality that this work is inferior. Therefore the labour supplies of these services are mainly from India and other Asian poor country like Pakistan and Nepal etc.

2. Concept

The nature of the services is that the labour resources is very scarce for the services like childcare services, maid services, cleaning services (Bathroom and toilet), dry cleaning services, garden services and old age care taker services. Because the supply is on the lower side and demand is on the higher side it creates a lot of opportunity for providing these services in UAE market.

3. Mission

The main aim is to provide hassle free services to all the customers at a reasonable price. Definitely profit making is always a goal because without which the firm or the company will not going to surveying. But customer satisfaction is also as important as profit making.

4. Innovative Business Plan

This business plan involves operating through an app. This app provides each and every detail from pin to piano. Initially it provides the profile of the labour. Then there are options of childcare services, maid services, cleaning services (Bathroom and toilet), dry cleaning services, garden services and old age care taker services. The app user can select that service which he wants. Then he can select the labour by going though the profiles of labour. This app also provides the attendance information of the worker. The payment is also done through this app only. This app will also provide the track record of the worker and payments made to them after deducting their charges or commission.

5. Financial Plan

The supply of workers will be mostly from Asian countries and in that also from India only because the labour from India will be easily available and at a very reasonable and low price.

6. Sources of Funds

You need money to make more money! This statement defines the funding stage of startups perfectly. In fact, any business has money at its core. From the very beginning, it is the strategic use of funds that decides the amount of profits your venture makes in the long run. This makes funding or initial investment the most important part of a startup cycle.

Ask any entrepreneur and his/her most exciting story will probably be about finding –and deciding – the right funding option for their business. Problems like lack of venture capital and high interest rates on bank loans are a big hurdle for startup and small and medium enterprises (SMEs).

Thankfully, Dubai's entrepreneurial ecosystem provides ample number of choices. An array of funding options, ease of accessibility, and relatively less time- consuming approvals of initial investment make Dubai one of the best cities in the world to start your own business. Here is a list of types of funding you can consider on your journey to becoming an entrepreneur in Dubai.

6.1. Self funding /bootstrapping

Let us start with what you can do by yourself. If you have been in UAE for a while, you probably have

saved a little capital that you might want to use to start with.

Depending upon the estimated initial cost of your business, if you have enough savings in your bank account- well, you are good to go.

6.2. Peer-to-peer financing/crowd funding

Peer-to-peer funding is one of the best ways to meet the perfect investor for your start-up. This is a type of debt financing that allows you to borrow and lend money without intervention of a financial institution. Here are a few online platforms in the UAE that you can explore:

Beehive is the UAE's first online marketplace for peer to peer lending; Beehive directly connects businesses looking for finance with investors. You can register your business with Beehive by clicking the following link: <https://business.beehive.ae/UAEAccount/Register>.

Eureeca is another popular crowd funding platform in the UAE. It is the first global equity crowd funding platform, and has an office in the Emirate of Dubai. It enables members of its investor network to buy shares in growth-oriented businesses, while providing operational businesses with crucial access to capital. Find out more and register with Eureeca at:

<https://eureeca.com/CrowdInvesting/Entrepreneurs/English>.

Zoomaal was created by four major Arab investors, and is a great resource for entrepreneurs who are event organizers, creative's, scientists, engineers, web and mobile developers, product designers, video producers, and community activists. To be a part of this platform, you can explore the following link:

<http://www.zoomaal.com/start/signup>.

6.3. Bank loans

Almost all major banks in UAE offer good loan options for startups and entrepreneurs at attractive and lower interest rates. Any bank where you already have a running account or even new banks can provide you with a variety of options. You can pay back with flexible installment plans spanning a few months to two years. **Emirates NBD, First Gulf Bank** and **HSBC** are a few of the banks that you might like to consider.

Apart from the regular startup loans, there are also options of startup funds operated by local banks that you might want to be aware of. In February, an AED2 billion government-backed fund **Mohammed Bin Rashid Innovation Fund (MBRIF)** was created. It is an initiative of the UAE's Ministry of Finance that is operated by Emirates Development Bank and offers direct, Sharia - compliant loans to select recipients. You can find details about applying for this fund here: <https://bit.ly/2Gw6xzV>.

6.4. Angel investors

By definition, an angel investor is an individual/firm that provides capital for a business start-up, usually in exchange for convertible debt or ownership equity. As the entrepreneurial ecosystem in Dubai has flourished in past few years, there has also been a rise in number of angel investment options here. From individuals to small groups to larger companies there are a good number of options you can choose from, if you are looking for an angel investment.

There are a number of individuals in Dubai and UAE who invest in startups. A comprehensive list can be seen at: <https://angel.co/dubai/investors>. If you're a female entrepreneur, know that there are angel investors in Dubai that invest specifically in women- led start ups. Women's Angel Investor Network (WAIN) and WOMENA are some of the most active investors in this section.

6.5. Incubators and accelerators

Dubai is known for specialized spaces for entrepreneurs when it comes to initial investment, training and assistance to start your business. Incubators and accelerators in Dubai, not only have

paid services if you require some, but they also have funds that can provide you with initial investments. A guide to these spaces can be found [here](#).

6.6. Equity and venture capital

Equity funding and venture capitals are one of the most common ways of getting funding for your startup, and Dubai does have a plethora of options for the same. A few of the prominent ones are listed below:

Arzan Venture Capital This Dubai-based venture capital has funded a number of well known names in the entrepreneurial scene, including Careem and Jamalon. It has interesting pre-seed funding plans that can prove helpful if you are at an early stage of setting your business. For details, visit: <http://apply.arzanvc.com/>

Wamda Capital: Located in Dubai Design District, Wamda is one of the most trusted venture capitalists indulged in meaningful partnerships with entrepreneurs. The investment activities of the Wamda Capital team have captured and helped develop the MENA region's most successful and most innovative startups including Maktoob, Souq.com, Yemeksepeti (FoodonClick), and more. Find out more at <https://bit.ly/2GfofU1>.

STC Ventures Another of the trusted names in the investor space, STC is an independently managed venture capital fund. The Dubai Media City based venture aims to empower entrepreneurs to create market leading technology businesses. Know more and submit your project/business plans at: <http://stcventures.com/submit-your-project/>.

BECO Capital Another big name in the venture capital market of the region is BECO. With diverse experience in technology, entrepreneurial and financial sectors, BECO supports new companies allowing them to create value much faster. Dig into some more details here: <http://becocapital.com/>

Middle East Venture Partners (MEVP) MEVP is a Middle East-focused venture capital firm that invests in the early and growth stages of innovative companies run by talented entrepreneurs. It operates from Dubai. MEVP has an array of funding options with different range of investments. You can decide what suits your business the best at <http://www.mevp.com/#funds>.

7. Application of Funds

The funds can be utilized in the expenses without which business can not be started. Following are the cost and expenses:

- i. Registration and Licensed fees.
- ii. Recruiter expenses.
- iii. Employee traveling cost (From his home country to UAE like Ticket, Visa)
- iv. Office Expenses (Rent, Electricity, water, printing & stationery and day to day expenses)
- v. App and website expense.
- vi. Fixed Asset (Computer, Printer, Mobile, Furniture & Fixtures, AC etc)
- vii. Administration staff salary.
- viii. Legal Fees.
- ix. Marketing and Advertisement cost.

8. Marketing strategy

- a) Hoardings and Banners in metro and airports.
- b) Refer and Earn (The customer if refers it to its contacts and the person of his contact if becomes our customer than we can provide our actual customer with cashback which will directly deduct

from the monthly payment).

c) Advertisement in Star Plus channel, newspaper and radio.

d) T shirts

9. Conclusion

This business plan had a great demand in UAE markets and even in Indian market also. Therefore this business has the potential to create huge profits. But the basic mantra behind success of the business is patience.

CHAPTER VI - LIST OF TABLES AND GRAPHS

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