



S.W.O.T. Analysis Case Study

DIRECTIONS: Read through the case study. Write down all of the strengths, weaknesses, opportunities and threats you can think of in relation to the Snoozy Inn.

The Snoozy Inn is a 40-unit, no-frills operation in the less scenic part of a major Queensland resort town. The owner, Mr. Smith, firmly believes that there is a need for his style of low-cost family accommodation amid the luxury and beauty of the area. His rooms are large, family-style rooms (there is no television, for example). Although there is plenty of room for future expansion, the grounds are fairly bare with a bit of landscaping, but mostly grass.

Mr. Smith can serve breakfast to the rooms and provides tea-making facilities. There are now a lot of good restaurants and take-a ways in the area. Mr. Smith's prices are less than half of what similar motels charge and only a fraction of what the big five-star properties are charging. And, really, he isn't all that far away from the beach, shops and other attractions.

The problem is occupancy. He has some regulars who come every holiday period (and have been doing so for the four years he has owned the property). Overall, occupancy is about 50% year round and he knows from the local tourist office that the other properties average around 68% occupancy year round. New developments could mean trouble. This lack of occupancy can be quite frustrating for Mr. Smith. Cars pull in, drive around the parking areas, and then drive away.

Currently Mr. Smith does very little advertising in local district guides and the holiday papers, mainly because he really thinks word-of-mouth is the best form of advertising. He is a member of the local tourist committee, but too busy to go to meetings. However, he does receive the local statistics and knows the average stay in the area is 3.8 nights, and that local families and couples and increasingly overseas visitors are his potential customers.

He's not desperate yet, but he's getting worried and disillusioned. He thought he would be overrun with guests, but that hasn't happened.

COMPLETED S.W.O.T. Analysis of the Snoozy Inn