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KEY FEATURES OF BUSINESS PLANNING IN THE HOSPITALITY INDUSTRY ОСОБЛИВОСТІ БІЗНЕС-ПЛАНУВАННЯ У СФЕРІ ГОСТИННОСТІ

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The article concentrates on the evolving context of business planning in the hospitality industry, exploring flexible strategies for addressing the negative industry-wide factors that have an impact. The hospitality industry is subject to several operational factors, including revenue generation, cost management, human resources, and marketing, which are influenced by seasonal variations. This necessitates the implementation of strategies to mitigate the impact of fluctuating demand. The high level of competition in the hospitality sector requires a clear competitive advantage, which may be achieved through factors such as location, the provision of high-quality service, innovative design, or a thematic focus. These factors must be strategically employed to distinguish businesses from one another. External factors, including economic conditions, political stability, and environmental risks, significantly influence the hospitality industry. Implementing robust scenario planning, risk management, and service diversification strategies is essential to mitigate these risks. Financial planning is critical to business planning and success, as financial obligations in the hospitality industry underscore the importance of a comprehensive investment analysis. The hospitality industry's primary asset is its human capital. , strategies should be employed to create a positive working environment, invest in staff training, and implement incentive programs to attract, develop, and retain talent. Guests' safety and maintaining a positive reputation for hospitality establishments are contingent upon monitoring reviews, responding to negative comments, and utilizing a positive image. The study highlights the necessity for an integrated methodology to be employed in planning business operations within the hospitality sector.

Keywords: business planning, hotel and restaurant complex, hospitality industry, stages of organizational culture formation, business.

Стаття присвячена динамічному ландшафту бізнес-планування у сфері гостинності та розглядає гнучкі стратегії подолання негативних загальногалузевих факторів впливу. На різні операційні аспекти в сфері гостинності (включаючи генерацію доходів, управління витратами, персонал та маркетинг) активно впливає сезонність, що потребує виокремлення стратегій для подолання коливань попиту. Високий рівень конкуренції у сфері гостинності вимагає наявності чіткої конкурентної переваги (локація, високий рівень обслуговування, інноваційний дизайн, тематична спрямованість), яка стратегічно відрізнятиме підприємства одне від одного. Зовнішні фактори (економічні умови, політична стабільність та екологічні ризики) активно впливають на сферу гостинності та потребують нівелювання за допомогою сценарного планування, управління ризиками та диверсифікації послуг. Фінансове планування визначено як критичний компонент бізнес-планування та досягнення успіху, адже фінансові зобов'язання у сфері гостинності підкреслюють важливість комплексного аналізу інвестицій. Людський капітал визнається основним активом сфери гостинності, для його формування та розвитку пропонується використовувати стратегії залучення, розвитку та утримання талантів, включаючи створення позитивного робочого середовища, інвестиції у навчання персоналу та впровадження мотиваційних програм. Гарантування безпеки гостей та підтримка позитивної репутації закладів сфери гостинності засноване на стратегії моніторингу відгуків, реагування на негативні коментарі та використання позитивного іміджу. Було доведено, що бізнес-план для індустрії гостинності повинен враховувати притаманну цьому сектору складність і динамізм. Важливо забезпечити не тільки операційну ефективність, але й надання послуг найвищої якості та конкурентоспроможності. Дослідження підкреслює необхідність комплексного підходу до бізнес-планування у сфері гостинності.

Ключові слова: бізнес-планування, готельно-ресторанний комплекс, сфера гостинності, етапи формування організаційної культури, бізнес.

Statement of the problem

The hospitality industry faces many challenges that make business planning more difficult. Companies must be flexible and adaptable to success. One of the most significant challenges is the seasonality of demand, which severely restricts the ability to plan revenues, costs, and resources. Traditional forecasting and planning

methods need to be more effective in such conditions. This leads to unstable financial performance and complicates strategic business management.

The hospitality market is also plagued by intense competition. Businesses must seek new and unique competitive advantages to retain customers and attract new ones. However, creating a sustainable competitive advantage is becoming increasingly difficult due to rapidly changing customer preferences and technological innovations that can quickly change the market.

External factors such as economic instability, regulatory changes, political uncertainty, and fluctuations in resource prices remain significant and must be considered. These factors are often beyond a company's control and can derail even the most carefully crafted business plans. Furthermore, new challenges have emerged due to climate change and its impact on tourism flows and infrastructure. Traditional planning approaches must be rethought considering these developments.

Human resource management is also crucial. Companies must attract and retain qualified staff despite high staff turnover and increasing demand on the quality of service. Developing and implementing effective strategies in this area requires a long-term approach that encompasses tangible and intangible aspects of employee motivation.

The digitalization and automation of hospitality processes is an emerging issue that must be addressed. Introducing new technologies can significantly improve operational efficiency but requires substantial investment and revision of existing business models. Few businesses are ready for such changes, which pose additional risks to their sustainability and competitiveness.

Despite its significant potential for development, the hospitality industry faces many complex challenges that traditional business planning cannot always solve. These challenges require a new approach that includes flexibility, adaptation to changing conditions, and proactive risk management.

Recent research and publications clarify that business planning in the hospitality industry is essential but still needs to be studied comprehensively. A wealth of literature is devoted to specific aspects of the hotel and restaurant business. These include the specifics of the enterprises' activities in the current environment [1], methods of business plan development [2, 4], marketing strategies, and customer experience management [5, 7]. For example, research in the field of marketing clearly shows that promotion strategies must be adapted to a rapidly changing market. Works on strategic management also emphasize the importance of industry research and a thematic approach to create competitive advantages [3, 6, 9]. These aspects must be integrated into a single system that accounts for the unique challenges of the hospitality industry, including seasonality, intense competition, external economic and political influences, and resource management.

This highlights the necessity for a comprehensive business planning approach incorporating all these crucial elements. This would enable businesses in this sector to adapt more effectively to dynamic market conditions and guarantee long-term competitiveness.

The purpose of the research

The main goal of this article is to identify and analyze the distinctive challenges and opportunities inherent in business planning within the hospitality industry. Furthermore, it seeks to provide strategic insights and recommendations for developing effective business plans that address these specific characteristics. This article aims to assist hospitality businesses in improving operational efficiency, service quality, and competitive advantage by considering factors such as seasonality, competition, external influences, financial requirements, and human resources management.

Presentation of the main research material

Business planning in the hospitality industry is unique, and the specificities of this type of activity must be considered. These peculiarities must be considered when developing a business plan for hotels, restaurants, tour operators, and other hospitality businesses.

Demand seasonality is one of the hospitality industry's most important features. It significantly affects all business aspects, from revenue and expense planning to marketing strategy development and human resources management (Table 1).

Table 1. Impact of seasonality on business planning

Key Areas for Business Planning	Strategies for overcoming seasonality
Attracting new customers during peak season and retaining existing ones during the off-season	Expanding the range of services (e.g., spa treatments, conference rooms, event organization)
Flexible human resources management to quickly respond to changes in demand	Partnering with tour operators to attract tourists during the off-season
Adjusting pricing policy based on the season	Implementing promotions and loyalty programs to stimulate demand during the low season

The authors have formed this hypothesis based on [3, 4, 7]

The hospitality industry is typified by high competition (Table 2). To achieve success, a company must possess a distinct competitive advantage. A competitive advantage may be derived from several factors, including a distinctive location, a high level of service, a unique interior design, or a thematic focus (such as a hotel catering to families with children or a spa hotel). Hospitality businesses are subject to many external factors that can considerably influence their operational performance and outcomes (Table 3). Such factors include the economic situation, encompassing economic downturns, inflation, and fluctuations in exchange rates, among others. Political stability (the absence of political upheaval, war, and terrorist attacks) is also significant. Fluctuations in the prices

of food, energy, other goods, and services may increase the costs of hospitality businesses and reduce their profitability. The accessibility of transportation in the region where the hospitality company is located is an essential factor affecting the demand for its services. Natural disasters, such as floods, earthquakes, and hurricanes, may cause significant damage to the property of hospitality companies and lead to interruptions in their operations. Changes in legislation regarding taxes, sanitary standards, fire safety rules, and other regulations may also impact hospitality businesses. Such circumstances may necessitate the incurring of supplementary expenses by hospitality companies.

Table 2. The impact of competition on business planning

Key Areas for Business Planning	Strategies for overcoming the competition
Need for a distinct competitive advantage (e.g., unique location, high service level, thematic focus)	Offer unique services and promotions (e.g., themed packages, special offers)
Thorough competitor analysis (strengths, weaknesses, pricing, marketing)	Provide exemplary service in all customer interactions
Effective marketing across multiple channels (media, social media, email)	Utilize modern technologies (e.g., online booking, mobile apps)
Reputation management through prompt response to feedback	Focus on maintaining a positive image and addressing customer complaints

The authors have formed this hypothesis based on [1, 2, 3]

Table 3. The impact of external factors on business planning

Key Areas for Business Planning	Strategies for overcoming external influences
Analysis of the external environment to identify risks and opportunities	Diversify business activities (e.g., expand services, enter new markets)
Scenario development to minimize the impact of negative factors	Implement risk insurance to reduce financial losses
Flexibility and adaptability of the business plan	Efficient inventory management to counter price fluctuations
Creation of a reserve fund for financial stability	Establish a reserve fund to manage temporary financial difficulties

The authors have formed this hypothesis based on [3, 5, 6, 8]

The necessity for considerable financial commitments (Table 4) to procure or construct premises, repair and maintain infrastructure, purchase furniture and equipment, train staff, and implement advertising campaigns frequently constitutes a significant factor influencing the strategic planning of hospitality businesses.

Table 4. The impact of investment on business planning

Key Areas for Business Planning	Strategies for overcoming the lack of funding
Comprehensive analysis of investment costs and funding sources	Seek external investors for capital
Detailed ROI calculation and economic benefit projection	Leverage credit facilities for financing
Development of a well-structured exit strategy	Use a phased investment approach to spread costs
Consideration of return of funds to investors	Adopt a franchise model for established branding
	Utilize government programs for financial assistance (e.g., subsidies, low-interest loans)

The authors have formed this hypothesis based on [1, 3, 4, 9]

The workforce constitutes one of a hospitality enterprise's most significant assets. Staff members' qualifications, experience, politeness, and friendliness significantly impact the quality of service provided to customers, which in turn affects the business's success (Table 5).

Table 5. The impact of staff qualifications on business planning

Key Areas for Business Planning	Strategies for overcoming staff shortages
Effective HR policy for attracting, training, and retaining qualified staff	Create a supportive work environment with flexible schedules, competitive pay, and clear career paths
Incorporation of personnel costs (salaries, training, benefits) into the budget	Invest in training and development programs to enhance staff qualifications
	Implement incentives (bonuses, recognition) to boost morale and loyalty
	Use modern technologies for time tracking and HR management
	Partner with educational institutions to recruit young talent

The authors have formed this hypothesis based on [2, 3, 6]

It is of the utmost importance for hospitality companies to adhere rigorously to the established sanitary standards and regulations to guarantee their customers' safety and well-being (Table 6).

Table 6. Impact of sanitary norms and regulations on business planning

Key Areas for Business Planning	Strategies to Safeguard Customer Safety and Health
Budget allocation for sanitation measures (disinfectants, equipment, pest control)	Adopt the HACCP system for food safety and quality standards
Development of comprehensive sanitation and epidemiological programs	Use advanced technologies (e.g., automatic temperature control)
Ongoing staff training on sanitation compliance	Engage with health authorities for guidance and compliance
	Conduct routine inspections to address sanitation breaches

The authors have formed this hypothesis based on [2, 4, 5, 9]

Hospitality companies must adopt an active marketing and advertising strategy to attract customers. This may entail using online marketing, media advertising, participation in exhibitions and fairs, collaboration with tour operators, and the implementation of promotions and loyalty programmes (Table 7).

Reputation management is essential to a thriving hospitality enterprise (Table 8). A positive reputation can assist businesses in several ways:

1. It can help to attract new customers, with positive feedback from visitors encouraging further interest.

2. It can increase customer loyalty, with satisfied customers being more likely to return and recommend the business to others.
3. It can lead to increased revenues, sales and profits.
4. It can increase brand awareness.

Table 7. The impact of marketing and advertising on business planning

Key Areas for Business Planning	Strategies for Enhancing Customer Engagement
Clearly define marketing goals Develop a marketing budget (advertising, PR, online promotion) Select effective marketing channels Create appealing marketing communications for the target audience	Craft a compelling value proposition to differentiate the brand Implement targeted marketing strategies for specific audiences Leverage social media, content marketing, and email campaigns Partner with influencers to expand brand reach Participate in industry events to boost visibility Deliver exceptional service to encourage repeat business and word-of-mouth referrals

The authors have formed this hypothesis based on [1, 3, 4, 7]

Table 8. The impact of brand awareness and reputation on business planning

Key Areas for Business Planning	Reputation Management Strategies
Define clear goals for reputation management Develop a comprehensive reputation strategy (feedback monitoring, addressing reviews) Allocate resources for reputation management (software, PR services, industry rankings)	Regularly monitor feedback on online platforms Address negative feedback promptly to show commitment to customer satisfaction Incentivize positive feedback with bonuses or discounts Partner with PR agencies to build a positive brand image Participate in industry rankings and competitions to boost visibility

The authors have formed this hypothesis based on [1, 3, 4, 6, 7]

Incorporating these features into a business plan's development will enhance a hospitality company's probability of success.

In conclusion, a business plan for the hospitality industry must consider the inherent complexity and dynamism of this sector. It is crucial to ensure not only operational efficiency but also the delivery of the highest quality of service and competitiveness, instilling a sense of focus and determination in the audience.

Conclusions and prospects for further research

The necessity for a bespoke approach to business planning in the hospitality industry is driven by the distinctive attributes inherent to this sector. It is essential to consider several critical factors when developing a business plan for a hospitality business. These include the impact of seasonality, competition, external influences, financial commitments, workforce management, sanitation standards, and the business's reputation. In order to accommodate the fluctuations in customer demand that are typical of the hospitality industry, it is necessary to implement flexible strategies that focus on attracting new customers during peak periods and retaining them during off-peak times. To gain a competitive advantage in the market, it is necessary to develop distinctive competitive advantages and to engage in continuous innovation. To ensure the continued viability of the business, it is essential to adopt a proactive approach to risk management and adaptability in the face of external factors, including economic and political conditions. The considerable financial demands of the industry underscore the significance of meticulous investment planning and the pursuit of a multiplicity of funding sources. Effective human resources management, compliance with sanitary regulations, and strategic marketing are essential for maintaining service quality and customer satisfaction. Furthermore, reputation management greatly benefits long-term success, as it fosters customer loyalty and enhances brand recognition. Integrating these considerations into a comprehensive business plan enhances the probability of success in the dynamic and competitive hospitality industry.

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