INVESTOR HOSTING CENTRE

WHAT INVESTORS LOOK FOR IN TOURISM FINANCE

1 CLARITY OF THE TOURISM ASSET & REVENUE MODEL

What exactly is the product? Who is the guest? How does every dollar of revenue flow? A compelling tourism opportunity must define its commercial viability with respect to asset class & concept, revenue composition, guest profile & source market and pricing framework.

2 MARKET CERTAINTY, NOT OCCUPANCY OPTIMISM

Who is the target customer, at what rate do they come in, in which months & through which channels? Investors want to see what comparable properties in the same destination are achieving & how your projections relate to those benchmarks.

3 EXECUTION CAPABILITY

A well-designed & profitable tourism asset is anchored on operational competence. Investors evaluate execution capability by looking at the constitution of your operations management, revenue management, guest experience management and community & conservation management.

4 SCALABILITY & DESTINATION DEVELOPMENT POTENTIAL

Can this grow beyond the first phase? Does the location, brand & operating model support a portfolio or destination case? Investors evaluate scalability with respect to physical expansion potential, revenue diversification & destination catalysis.

5 ASSET ECONOMICS THAT SURVIVE THE LOW SEASON

Tourism financial modelling must be built around seasonal reality. If the project only works at peak arrivals or occupancy rates that is problematic. No wonder sensitivity analysis is expected by investors in your financial modelling.

6 RISK AWARENESS & MITIGATION

Investors expect to see risk anticipation & mitigation with respect to demand & geopolitical, health & pandemic, currency & repatriation, connectivity, environmental & climate, regulatory & competition risks. Source market diversification is the most actionable demand risk mitigation.

7 FINANCIAL DISCIPLINE & TRANSPARENCY

Investors expect to see best practice accounting, credible pre-opening budgets, FF&E reserves and a capital structure that separates asset ownership from operations. This separation is increasingly becoming a structural precondition. Rightly structuring early pre-investment is best.

8 EXPERIENCE DIFFERENTIATION & DISTRIBUTION POSITIONING

Investors want to see a clear experience differentiation in your value proposition. What makes guests choose your property & how do they find it? It should be a clear irreplaceable natural or cultural asset with a curated experience program that cannot be replicated.

9 IMPACT WITH PROFITABILITY

Tourism investors evaluate tourism assets against a defined sustainability & impact framework. Conservation impact & community benefit should be well-defined. Conservation financing, community benefit, green certification & authentic cultural engagement are capital access mechanisms. Your project must be clear proof of that.

10 SKIN IN THE GAME

Commitment in tourism development is measured by what has already been secured. Investors back people who have already secured the land, committed the concept capital, built operator relationships & absorbed the pre-development risk themselves.