

Second Home Everywhere

FRANCHISE BUSINESS OPPORTUNITY



www.bubblebeds.in

Invitation

"Bubble Beds offers a unique partnership opportunity through franchising to help your business grow and flourish. Join us to revolutionise travel & hospitality industry and impact thousands of travellers' lives in a positive way."

About Bubble Beds



Director

Bubble Beds is India's No.1 backpacker's Hostel providing accommodation to thousands of National and International guests since 2017. The landscape of travel accommodation industry has undergone significant transformation in the last few years, especially due to the rise of a flourishing community of solo travellers & and backpackers. As we delve into the world of backpacking, we witness a shift from the traditional way of travel to a new era marked by exploration and individuality. The hostel industry, particularly catering to solo travellers, is experiencing an upsurge. In the wake of the solo traveller's uprising, where individual journeys become the stories of a collective experience, Bubble Beds is not merely providing a place to stay but a platform for solo adventurers to make their mark. Join us in shaping the future of solo travel accommodations and be a part of the Bubble Beds family, where every journey is a story waiting to be told.

Bubble Beds is the fruit of the changing demand of new generation travelling community. We entice our guests, i.e. backpackers, solo travellers, group travellers with modern amenities, dormitories, private rooms, common room for socialising, community kitchen, board games and other entertainments for fun filled stay experience in strategically well-connected locations at much cheaper rate than traditional hotels.

To ensure great customer experience and high-profitability, Bubble Beds maintains rigorous standards, meeting all necessary regulations. Our commitment to quality; positions us as a lucrative player in this dynamic field.



Our mission is to deliver unique and affordable, state of the art, sociable, experiential accommodation to global travellers.



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Our vision is to be the brand close to a traveller's heart. To be reliable and pocket-friendly accommodation chain present everywhere a traveller goes. We see ourselves as the largest hostel brand.



Market Potential of Backpackers' Hostel

"The hostel market size was estimated to be US\$ 4.6 billion in 2023. The market is projected to reach US\$ 12.1 billion by 2033, at a CAGR of 10.20%" - Futuremarketinsights.com



Backpacker- a person who travels with a backpack, mostly solo, loves to explore local culture, local food, mingle with local people wherever he or she goes; usually chooses budget options for travel, i.e. low-cost accommodation, public transportation etc. Backpackers often travel for longer duration than tourists, loves to stay in hostels.

Hostel- also known as youth hostel or backpackers' hostel is a low-cost, experienced-based accommodation that offers bunk beds in dormitory style rooms (shared room), private rooms, WiFi, community kitchen, common room for socialising with other travellers, board games, book shelf, local travel guidance etc. It's a great value for money experience for budget travellers.

Therefore, travellers opt for hostels. The rise in video bloggers, the increasing trend of digital tourism, dark tourism, eco-tourism etc. are all trends influencing travellers, especially solo travellers, to explore. Hence, the rise in solo travellers has resulted in the growth of the hostel market.

What is driving the hostel market in India?

The Rise in the growth of international travellers results in an Increase in demand for the Hostels. India is a country with a vast culture and diversity. People travel from various parts of the world to study the culture and religion of India. Over the past decade, there has been a continuous rise in international travellers travelling to India, especially from the Europe, United States of America and Other parts of Asia. Certain travellers travel to India for medical therapy, such as Ayurveda and other medical surgeries. As international travellers travel from one place to another, they prefer staying in hostels because they find them affordable. Also, according to them, the hostel environment helps them connect with local culture more efficiently. The hostel environment makes them feel connected and allows them to experience the taste of India. Thus, it generates huge market opportunities in the hostel market.



Being in the expansion Spree

Bubble Beds offering unique Franchise Opportunity

We are expanding and adding Backpackers Hostels across the country and are seeking highly motivated, success-oriented individuals who share our high standards and commitment to excellence. If you desire personal independence, superior earning potential, and the opportunity to provide a valuable and respected service to the nation by shaping the accommodation experiences of many travellers, then owning and operating a Bubble Beds Backpackers Hostel, may be right for you.

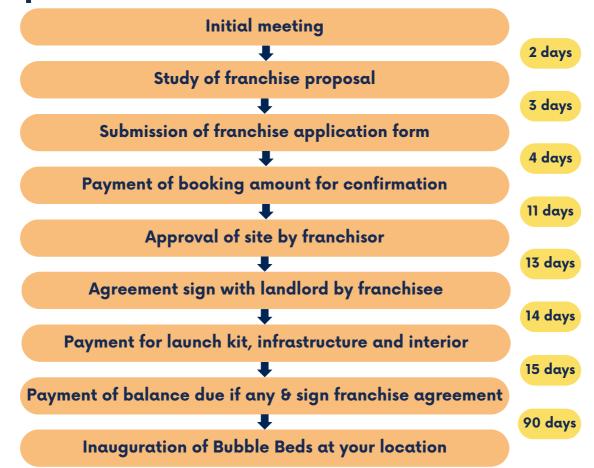
An average investment (Size- wise)

| No. of Rooms | Capacity (No. of Guests) | Investment (Rs.) | Approx Area Required (Sq Ft) |
|-----------------|-----------------------------|------------------|---------------------------------|
| 8 | 40-45 | 21 Lacs | 2500-2800 |
| 10 | 50-55 | 25 Lacs | 3200-3500 |
| 12 | 60-65 | 28 Lacs | 4000-4500 |

Capital Investment (For a typical 60 beds hostel)

| Investment Category | Amount (Rs) |
|-------------------------------------|-------------|
| Franchisee Fee (Non-refundable) | 5,00,000 |
| GST @ 18% | 90,000 |
| Launch kit | 50,000 |
| Infrastructure development (approx) | 21,00,000 |
| Initial marketing cost | 60,000 |
| Total | 28,00,000 |

Steps to start a franchisee of Bubble Beds



Suggestive revenue and profitability

Example of a Bubble Beds with total occupancy of 65 guests (50 dormitory beds and 5 private rooms).

Dormitory bed price (average): Rs. 460 per night per bed private room price (average): Rs. 1200 per night per room

When occupancy is full, total revenue generated per day is (Rs. 460 x 50 beds) + (Rs. 1200 x 5 rooms) = Rs. 29,000 and monthly revenue generated is (Rs. 29,000 x 30 days) = Rs. 8,70,000

considering 65% occupancy on an average, actual monthly revenue (M.R) will be (Rs. 870000 x 65%) = Rs. 5,65,500

Monthly net profit is [Rs. 565500 - expense - royalty (25% of M.R)] = (Rs. 565500 - Rs. 255000 - Rs. 141375) = Rs. 1,69,125

Annual net profit (Rs. 169125 x 12 months) = Rs. 20,29,500

N.B. Actual figures may vary depending on the capacity and lease amount of the property.



Return on Investment (ROI)

Net profit is Rs. 20,29,500 (Annual). Total investment is Rs. 28,00,000

Return on Investment (ROI)= (Net profit/ Total Investment) X 100%

ROI= (Rs. 2029500/ Rs. 2800000) X 100 % = Rs. 72.5 %

So, Return on Investment (ROI) is 72.5 %

N.B. This ROI is achieved considering 65% occupancy only and does not include profit from the sale of food and other services.

Disclaimer: Bubble Beds is successfully operational from 2017 and profitable from the beginning. We thrive on well curated, practical business model with proven track record.



Roles and responsibilities

| Franchisor | Franchisee |
|---|---|
| Providing training to business partner and it's staffs | Setting up infrastructure as per guidelines of franchisor |
| Providing all required furniture and equipment against payment | Recruitment of hostel staff as per instruction of franchisor |
| Online marketing and administration support | Aggressive local marketing and generation of business |
| Media advertising and promotion | Managing the administration of hostel on day to day basis |
| Providing operational and billing software and it's training | Providing bills to customers, receiving and managing payments |
| Providing support for event planning and implementation | Payment of royalty in time to get all support from franchisor |
| Providing all technical know how to run the business | Procuring all necessary licenses and Govt. approval |

FAQ

- 1. What's the tenure of the Franchise Agreement? 5 Years. Renewable after that.
- 2. Where can we set up Bubble Beds? Preferably in well-connected locations like near Railway Stations, Bus Terminal, main market area in cities or near major attractions in tourist places.
- 3. How we'll get customers? Through various online booking platforms, GMB, local marketing and our own website.
- 4. How much time should I devote for the business? Should spend quality time in the hostel daily.
- 5. Which are the licenses I need to procure? Trade License, Fire licence, Police Licence, FRRO licence etc.
- 6. Who will do the selection of staffs? Franchisee will select staffs and franchisor will train them.







TripTech Hospitality Pvt. Ltd.

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