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How To Create a Business Plan for a Bed and Breakfast

- A Free Guide by BusinessAndPlans.Com

Thinking of opening a Bed and Breakfast business?

That's cool. However, before you launch it, you will need to create a business plan. It can come in real handy when you meet investors or later on when you need to see if your business is moving in the right direction and fast enough.

Many entrepreneurs don't want to spend time creating a detailed B&B business plan because they think it's a tough ask. But that's not the case. Of course, you will need to allot some time to the activity, but it is far from being something that you can't do.

In this guide we will share the nuts and bolts of how to write a great bed and breakfast business plan.

Before we get started, you might be interested to check out our [Ready-made Bed and Breakfast Business Plan Template](#) with pre-written text and automatic financials which you can easily customize and adapt to your own project, no financial expertise required.



For more info, check our ready-made [Bed & Breakfast Business Plan Template](#) with automatic financials.

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How Many Sections A Professional Bed & Breakfast Business Plan Should Have?

Now, there's no definite answer to this question. However, most experts agree it's a good idea to include at least the following sections in your business plan:

- Executive Summary
- Company Overview
- Customer Analysis
- Competitive Analysis
- Marketing Plan
- Operation Plan
- Management Plan
- Financial Plan

Now, let's check out what goes into each of these listed sections.

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Bed & Breakfast Business Plan Step-by-Step Breakdown

Step 1 – Executive Summary

The importance of having a strong executive summary can't be stated enough. It is the most important part of your B&B business plan and introduces the reader to your business. If the introduction is not exciting, getting the reader to read the entire business plan is likely to prove a big challenge. So don't make things hard for yourself by penning a mediocre summary. Instead, put in some time and effort to craft an executive summary that convinces the reader that reading your entire bed and breakfast business plan is going to be worth their while.

So what makes a great executive summary?

It should have these attributes:

Introduces readers to your B&B business

Gives key information about your project upfront and clearly states the goal. If you are looking for funding, the goal with the amount of money you need to launch your bed and breakfast business

Grabs and holds the reader's interest in your project, so that they would want to know more about it

If you're wondering what goes into a B&B executive summary, the answer is:

- Business Overview
- Services
- Customer Focus
- Management Team
- Success Factors
- Financial Highlights (If you plan to raise funds, mention the exact amount of money you need here)

Here's a sample executive summary to help you crack this section.

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Sample Executive Summary

Business Overview

ABC Bed & Breakfast located at <mention the location here> is an upcoming Bed and Breakfast that focuses on offering clean rooms with modern character, attractive to leisure all kinds of visitors to this area. Our rooms feature ultra-modern furniture, coupled with the latest technology and a wide range of accessories.

Services

ABC Bed & Breakfast is going to offer a whole gamut of standard Bed and Breakfast services. This includes daily room cleaning, cable TV, free local calls, free Wi-Fi and several other amenities. In addition, we are going to offer a restaurant lounge serving breakfast, as well as lunch and dinner and Tea and Cocktails.

Customer Focus

ABC Bed & Breakfast is going to mainly serve leisure travelers who want comfort, key amenities, and great service. In general, the market for this segment tends to be relatively well educated and affluent as detailed below:

Guests on pleasure trips or on vacations use bed and breakfasts more than anyone else. They usually tend to take short breaks or weekend breaks to de-stress. In addition, special events, like weddings, are also important revenue drivers.

Other key revenue drivers include business seminars, business meetings and group travel during weekdays. These guests usually prefer rooms at strategically located properties.

100,000 visitors come to <this area> every year, as per the local office of tourism.

50% of visitors are between ages of 35 and 45, 20% between ages of 45 and 59, 15% between the ages 20 and 29, and 8% are 60+ according to an official survey

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The average household income is \$85,900 as per the national Bed and Breakfast Association

Management Team

ABC Bed & Breakfast is led by Erik Edwards, who has 22 years of experience in this industry under his belt. While Erik Edwards has not launched this kind of business from ground up, he has an extensive experience, most recently in the capacity of a general manager of a well-known Bed and Breakfast business. During his career, the owner has held a number of different positions in the management chain. Thanks to this, he has an extensive knowledge of this business, which also extends to operations (that is, the running of a Bed and Breakfast business on day to day basis) as well as the business management side (that is, marketing, staffing and the rest).

Success Factors

ABC Bed and Breakfast is well-qualified to succeed thanks to these reasons:

At present, the community that we are entering doesn't have a Bed and Breakfast. Apart from that, we thoroughly surveyed the area and found that this community receives frequent visitors who are inclined to use our property when launched.

Our B&B business is strategically located, which is a massive advantage. It is just a few minutes' drive from the airport, downtown, corporate district, and the main tourist attractions of the town.

We have a proven track record in this industry, which will keep us in good stead when we start operations of our B&B.

The city's governor recently announced plans to pump in more than \$10 million in tourist attractions to boost local tourism. Our survey shows that existing hotels are not in the position to handle the increased capacity of visitors coming to the town.

Financial Highlights

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ABC Bed and Breakfast is presently seeking \$1,000,000 to set up the business. Specifically speaking, we will use these funds as follows:

Bed and Breakfast building and design: \$750,000

Working capital: \$250,000 for paying salaries, operating costs and marketing expenses until we reach break-even.

Step 2 – Company Overview

In this section, you need to talk about your B&B concept and share finer details. Specifically speaking, answer these important questions:

- Who owns the business?
- What is your company's history?
- What kind of amenities you are going to provide?
- How many rooms your bed & breakfast will have?

Sample Company Overview

What is ABC Bed & Breakfast?

ABC Bed & Breakfast located at <mention the location here> is an upcoming Bed and Breakfast that focuses on offering clean rooms with modern character, attractive to leisure all kinds of visitors to this area. Our rooms feature ultra-modern furniture, coupled with the latest technology and a wide range of accessories.

ABC Bed & Breakfast is owned by Erik Edwards, who has been associated with this specific industry for over two decades. He decided to launch his own business three months back after spending some time in <name of the location>, which convinced him of a singular opportunity to set up a mid-sized Bed & Breakfast business. During his trip to this city, he couldn't find one mid-level Bed & Breakfast business in the downtown area, even when a large number of tourists visit this part of the country every year. Given these facts, Erik Edwards quickly spotted a unique opportunity, that a Bed and Breakfast would enjoy considerable success in this area.

ABC Bed & Breakfast History

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Erik Edwards incorporated his business on 20th Sept, 2020. Currently, the development operations are being run out from his home office. However, once Erik Edwards acquires the land and property rights, operations will start running from an on-site location.

Since its incorporation, the business has completed these milestones:

- Selected a suitable location for the business and signed the land deal
- Created the company's website and logo
- Hired a reputable local architecture firm for the creation of the building's blueprint
- Determined equipment financing requirements
- Started hiring key employees

ABC Bed & Breakfast Services

We will initially offer the following amenities:

- Single and double Rooms
- Studio apartments (suitable for long-term stays)
- Restaurant lounge

Our single and double rooms' amenities include:

- One or two Double Beds
- Modern Bathroom
- Workspace
- Toiletries
- Daily Cleaning
- Complimentary Tea and Coffee
- TV with Cable
- Wi-Fi

Our studio apartment's amenities include:

- California King bed

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- Sitting Room area featuring Workspace, TV and Couch
- A luxury Bathroom featuring Jacuzzi and Shower
- Toiletries
- Daily Cleaning
- Tea, Coffee and Chocolate
- Dining area (featuring a modern dining table)
- Kitchenette (fully-equipped with microwave, oven, refrigerator, etc)
- Wi-Fi
- Flat Panel TV

Our restaurant lounge features:

- Breakfast, lunch and dinner menus
- Afternoon Tea
- Wi-Fi
- Cocktails
- Weekend live entertainment

Bed and Breakfast Design

ABC Bed and Breakfast is going to develop a spacious 17,000 sq ft guesthouse. Here are the key elements that will be included:

- Lower and upper floors with 15 Single or Double rooms
- 3 Studio apartment styled rooms
- A spacious restaurant Lounge

Our location is going to feature free parking space in case our guests need to park their vehicles.

Step 3 – Customer Analysis

This is the time to talk about your prospective customers. That is, who they are, what do they look for in a bed and breakfast business and why they will choose you over others.

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For instance, if we continue with the example of *ABC Bed & Breakfast* business, we can say something in the lines of:

“There are no mid-level bed & breakfast businesses in this area and many customers would prefer a middle-sized establishment over others. We plan to target these visitors, who constitute a big part of the total tourist footfall.”

Step 4 – Competitive Analysis

Share details about your direct as well as indirect competitors in this section. More importantly, show how your business stands out in the crowd. The best way to showcase this is by using data-backed facts. You may want to use graphs and charts to build your case. It's important that you clearly convey your business's unique selling proposition (aka USP).

Remember: Having a great business idea alone is not enough. You must also be able to demonstrate that your offerings are unique or there's not much competition in the niche you plan to enter. Lack of competition increases your chances of real success.

Step 5 – Financial Analysis

This is the section where you need to provide an estimate of your B&B business' operating costs. In addition, you will need to specify the exact amount you need for optimal operation. Also, address the potential profit-and-loss areas your bed and breakfast business may accrue.

Most business plan writing experts are of the opinion that entrepreneurs should provide a financial projection for the first few years. You should give financial projections for at least 3 years. But if you can, try sharing financial projections for 5 years. Also, remember that your financial projections must be backed by hard data and shouldn't be based on intuition.

Step 6 – Appendices

In this section, you can share all those documents that may give your bed and breakfast business idea more appeal, such as:

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- Market research and marketing data
- Showcase your previous work (this could come in handy if you are seeking to raise capital)
- Key statistics and charts

Final Words

A bed and breakfast business plan is an important business document. Do a thorough research of the location you plan to penetrate and create a detailed business plan to help you launch a bed and breakfast business on the right track.

If you are short on time and wish to create a professional B&B business plan in just a few hours, check out our [Ready-made Bed and Breakfast Business Plan Template](#) with pre-written text and automatic financials which you can easily customize and adapt to your own project, no financial expertise required.

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