



# THE UNALLOME, MORJIM GOA

Business Case Study



# CHALLENGES

## **Low-Base Asset:**

- Inherited a 12-room OYO, selling at ₹800–1,000 per night, with no design or brand value.

## **High Investment, Small Scale**

- Renovated into a boutique property with ADR uplift to ₹4,000–5,000, but limited revenue due to small inventory.

## **Residential Limitations**

- Location in a quiet Morjim neighborhood restricted events and community programming because of noise complaints.

## **Foreign Dependency**

- Heavy reliance on Russian and foreign tourists, with minimal domestic demand to balance risk.

## **Policy & Market Headwinds**

- Goa tourism hit by visa issues, taxi cartel problems, nightlife curbs, and competition from Southeast Asia.
- Morjim as a micro-market collapsed faster than central Goa.

# APPROACH/STRATEGIC INTERVENTIONS

**1** Repositioning  
the Product

**2** Marketing &  
Partnerships

**3** Testing  
Alternatives

**4** Exit Discipline

# REPOSITIONING **THE PRODUCT**

- Fully redesigned interiors, service protocols, and guest experience to shift from budget OYO to boutique identity.
- Built a yoga/wellness positioning to appeal to conscious travelers, complementing the leisure demand.

# MARKETING & **PARTNERSHIPS**

- Aggressive online distribution and OTA optimization.
- Collaborations with influencers and wellness brands to tell a new boutique story.
- Tried to market The Unallome as a hub for retreats and community events.

# TESTING **ALTERNATIVES**

- Explored pivots such as long-stay rentals, curated wellness retreats, and experiential collaborations.
- Continued burning cash temporarily to assess if the downturn was short-lived.

# EXIT DISCIPLINE

- Once foreign demand collapsed irreversibly and Morjim's trajectory worsened, the lease was surrendered.
- The decision prevented long-term capital erosion despite sunk renovation investment.

# OUTCOME

## **Initial Success**

- In the first two years, The Unallome delivered strong occupancies and ADR uplift, achieving 4–5x growth over its OYO baseline.
- The boutique transformation was well-executed, earning strong guest reviews and brand recall.

## **Market Collapse**

- With the loss of foreign tourists, occupancy fell sharply; Morjim's demand pool shrank drastically.
- Cash burn became unsustainable given the limited scale of only 12 rooms.

## **Strategic Withdrawal**

- Exiting the lease limited further losses.
- Investment was lost, but operational bleeding was capped early.

# LEARNING

## **Market Dependency Risk:**

- A boutique product cannot survive if its catchment collapses; reliance on a single tourist segment (Russians in Morjim) is structurally dangerous.

## **Policy Sensitivity:**

- Government decisions on transport, nightlife, and tourism regulation directly impact hotel viability. Operators must factor this risk into market entry.

## **Scale Limitations:**

- Small boutique properties (sub-20 rooms) have limited resilience; cash burn tolerance is thinner than larger assets.

## **External vs Internal Control:**

- Operational excellence cannot offset systemic market decline. Success requires alignment of property, market, and policy.



PROMILLER  
GROUP

**THANK YOU**

