



# Framework for Hospitality Projects

**Pulp Consultants Limited**

*Delivering Cost Efficiency, Quality Assurance & Operational  
Readiness*



# Introduction

We are experts in Procurement Advisory for Hospitality & Mixed-Use Developments. Our Management comprise of the team who have a vast experience working in the middle East as the Owner Representative as well as leading procurement teams at Major hospitality projects in the region.

We pride ourselves in serving and delivering both in MENA region as well as in the UK

- Hotels, Resorts, Serviced Apartments, Celebrity Mansions
- F&B Outlets
- Luxury & Lifestyle Assets

We understand the importance of and Align with:

- Owner's Vision
- Operator Standards (Brand Compliance)
- Local Regulations (KSA / PIF / LCA/ UK Regulatory Authorities)



# Why Procurement Consultancy Matters

- **The Reality of Hospitality Projects**
- Procurement = **25–40% of total CAPEX**
- Direct impact on:
  - Guest Experience
  - Brand Positioning
  - Operational Efficiency
- **Without Structured Procurement**
- Cost overruns
- Delays in opening
- Inconsistent quality
- Vendor misalignment

# Our Role as Procurement Consultant



## Phased Approach

### Phase 1 – Initiation

(Post Award)

1. Budget Planning & Cost Benchmarking

2. Procurement Strategy Development

3. Vendor Sourcing & Prequalification

- Working with Owner and Operator
- Identifying the category as per market demand
- Relevant cost benchmarking
- Vendor selection – 300+ Data available.

### Phase 2 – Selection

(Shortlisting, Order Placement)

4. Tendering & Negotiation

5. Production Monitoring & Quality Assurance

6. Logistics & Delivery Tracking

- Tendering process – with aim of 20% saving with quality assurance
- Vendor interviews, screening, facility visits, financial audits
- Dashboard based status tracking - early alarm mechanism

### Phase 3 – Close-Out

(Inspection, Delivery, Installation)

7. Installation Coordination

8. Inspection & Client Satisfaction

9. Handover & Close-Out

- Timely delivery and professional installation with minimum noise pollution
- Client inspection & Satisfaction
- Asset tagging, Invoices, Factory Product manuals, warranties handed over



# FF&E Characteristics

## **Custom Manufacturing Required**

- FF&E items are typically bespoke and tailored to design and brand standards. They require detailed drawings, approvals, and coordination before production.

## **Longer Lead Times (8–20 Weeks)**

- Custom production and sourcing result in extended delivery timelines. Early planning and expediting are critical to avoid project delays.

## **Design-Sensitive (Brand Compliance)**

- Strict adherence to brand guidelines is essential for consistency. Any deviation can lead to rework or rejection.

## **High CAPEX Impact**

- FF&E constitutes a major portion of project capital cost. Strong cost control and value engineering are required.

## **Installation Dependency**

- Installation depends on site readiness and project sequencing. Delays in construction can directly impact FF&E placement.



# OS&E Characteristics

## **Standardized or Semi-Standard Items**

OS&E items are typically off-the-shelf or lightly customized products. This allows easier sourcing and quicker procurement decisions.

## **Shorter Lead Times**

Most OS&E items are readily available from multiple suppliers. This enables faster procurement compared to FF&E.

## **High Volume Procurement**

OS&E involves bulk purchasing across multiple categories. Efficient consolidation is key to cost and inventory control.

## **Strong Logistics & Storage Requirements**

Large quantities require careful planning for delivery and warehousing. Improper handling can lead to damage, loss, or inefficiencies.

## **Direct Link to Operational Readiness**

OS&E is essential for day-to-day hotel operations at opening. Delays directly impact the ability to launch and serve guests.





# Pain Points (Client's Perspective)

## 1. Cost Uncertainty

Budget overruns due to poor benchmarking

## 2. Lack of Transparency

Hidden margins, unclear vendor pricing

## 3. Delays

Late deliveries impacting opening date

## 4. Quality Issues

Non-compliant materials or finishes

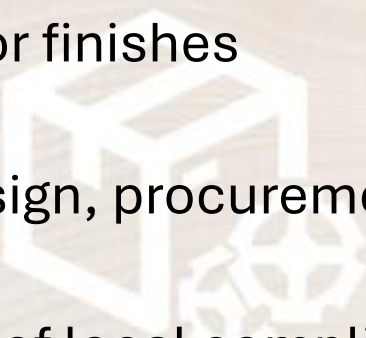
## 5. Coordination Gaps

Misalignment between design, procurement & site

## 6. Vendor Risk

Unreliable suppliers / lack of local compliance

PROCUREMENT





# Additional Pain Points (KSA Context)

## **Local Content Requirements (LCA Compliance)**

Projects must meet local sourcing and Saudization targets. Non-compliance can lead to penalties or approval delays.

## **Import Regulations & Customs Delays**

Imported items face documentation and clearance challenges. Delays at customs can disrupt project timelines.

## **Limited Qualified Local Vendors**

Availability of high-quality local suppliers can be restricted. This may impact quality, pricing, and delivery timelines.

## **Operator vs Owner Conflicts**

Differences in priorities can delay procurement decisions. Alignment is required between cost control and brand standards.

## **Currency Fluctuations**

Exchange rate volatility affects procurement costs. This can lead to budget uncertainty and cost overruns.



# Our Approach

## **Transparent procurement framework :**

We work very closely with the Owners and Hotel Operators and keep all stakeholders updated with the status of the project including Vendor selection

## **Data-driven cost benchmarking:**

A comprehensive database from our own records plus the information available in the market and compared to ensure that the benchmarking is being done with the correct comparables.

## **Global + Local vendor network**

Our available vendor database of 300+ vendors along with the trending vendors are used to approach the best partners for the project.

## **Strict compliance governance**

With more than 30 years of experience of our team in the region, we fully understand and committed to the statutory Rules and Regulations set out – this includes the understanding of the operator based protocols as well to which we are fully acclimatized

## **Integrated project coordination**

Our access of real time dashboard illustrating the project status along with keeps the client and operator at ease, this allows them to plan ahead with confidence – the periodic face to face meeting adds further confidence to the process



# Addressing Cost Issues

A robust procurement approach begins with the development of **detailed cost plans**, clearly **distinguishing between FF&E and OS&E** and ensuring transparency and control across capital and operational expenditures.

This is complemented by strategic **value engineering that optimizes costs** without compromising the integrity of the design or brand standards.

To drive cost efficiency and quality, a **competitive tendering process** is adopted through a multi-vendor strategy, enabling better pricing and supplier performance.

**Real-time cost tracking** dashboards provide continuous visibility over budgets and commitments, allowing for proactive decision-making and effective financial control throughout the project lifecycle.

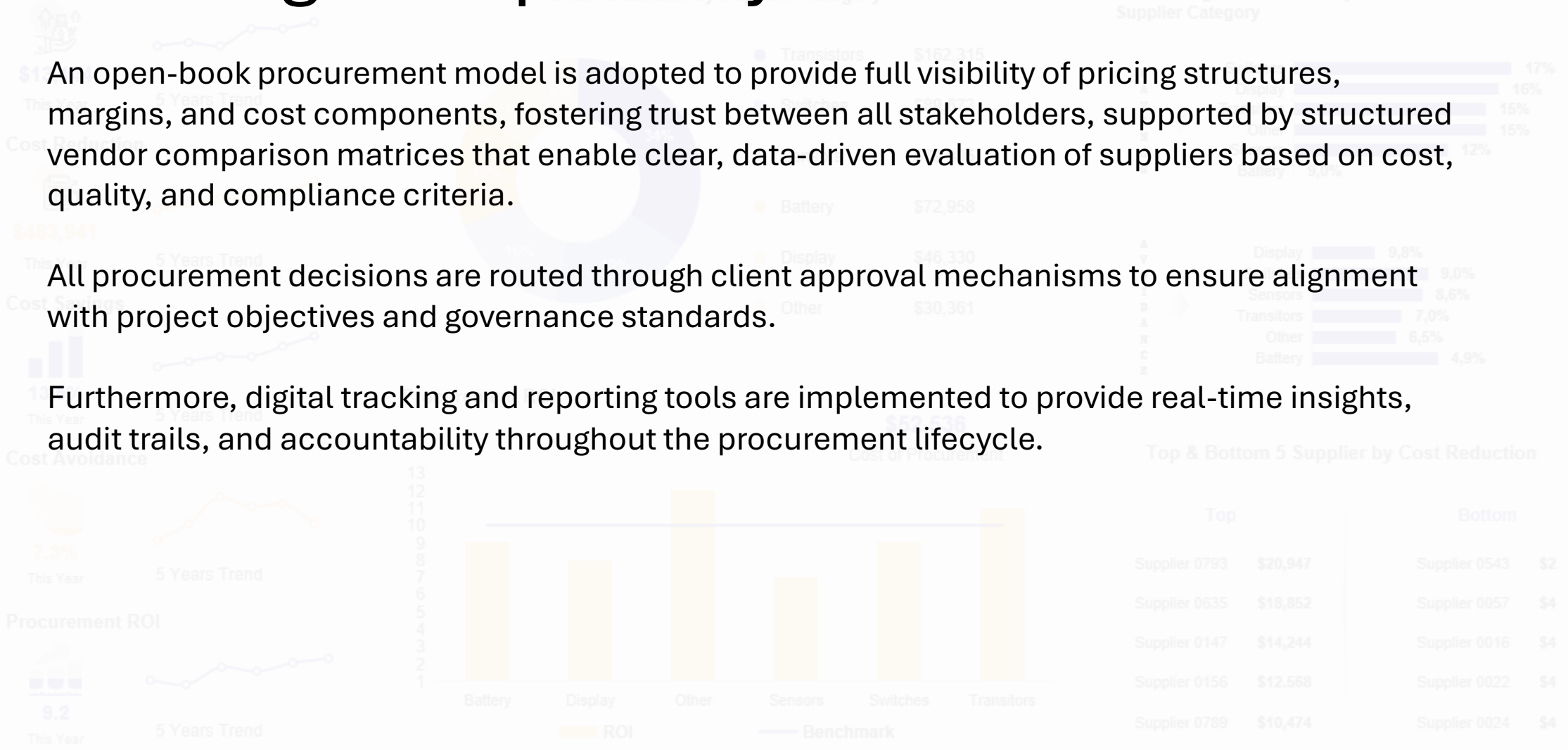


## Ensuring Transparency

1 An open-book procurement model is adopted to provide full visibility of pricing structures, margins, and cost components, fostering trust between all stakeholders, supported by structured vendor comparison matrices that enable clear, data-driven evaluation of suppliers based on cost, quality, and compliance criteria.

2 All procurement decisions are routed through client approval mechanisms to ensure alignment with project objectives and governance standards.

3 Furthermore, digital tracking and reporting tools are implemented to provide real-time insights, audit trails, and accountability throughout the procurement lifecycle.





# Mitigations to Delays

A proactive approach is adopted starting with detailed lead-time mapping during the planning stage to identify potential bottlenecks early. This process is well negotiated and agreed with vendor pre-awarding the supply contract.

This is reinforced through continuous expediting and production tracking to ensure suppliers adhere to agreed timelines.

Early vendor engagement further minimizes risks by securing capacity and aligning expectations in advance.

In parallel, comprehensive logistics planning—including import coordination and customs clearance—ensures smooth material flow and reduces the likelihood of delays impacting overall project delivery.



# Quality Assurance

A rigorous framework is established beginning with the **prequalification of vendors** to ensure only capable and compliant suppliers are engaged.

This is followed by **structured sample approvals and mock-ups** to validate materials, finishes, and design intent prior to full-scale production.

**Regular factory inspections** are conducted to monitor manufacturing quality and adherence to specifications.

Throughout the process, **strict compliance with brand standards** is maintained, ensuring that all delivered items align with the project's design vision and operational requirements.



# Coordination Excellence

Seamless **integration is established across all key stakeholders**, including designers, operators, and project managers, ensuring alignment between design intent, operational needs, and project delivery timelines.

This collaborative approach is reinforced through **regular coordination workshops** that facilitate issue resolution, progress alignment, and decision-making.

Additionally, a **centralized procurement tracker** is implemented to provide a single source of truth, enabling all parties to monitor status, dependencies, and updates in real time, thereby enhancing communication, accountability, and overall project efficiency.



# Vendor Strategy

A balanced sourcing approach is adopted by leveraging global procurement channels to achieve cost optimization while simultaneously integrating local sourcing to ensure compliance with Local Content Authority (LCA) requirements.

This is supported by a hybrid procurement model that combines the strengths of both international and local supply chains, optimizing cost, quality, and delivery efficiency.

Furthermore, the development of strategic partnerships with key vendors fosters long-term collaboration, enhances reliability, and enables better negotiation leverage and consistent project outcomes.



The following slide highlights the procurement cost dashboard which showcase the purchase order cost, cost savings and cost avoidance.

## Digital & Reporting Tools

**Integrated procurement dashboards** are utilized to provide real-time visibility into purchasing activities, commitments, and overall progress.

These are complemented by **detailed delivery trackers** that monitor shipment status and milestone adherence, ensuring timely coordination across the supply chain.

**Budget versus actual reports** offer continuous financial oversight, enabling early identification of variances and informed decision-making.

In parallel, **structured risk registers** are maintained to proactively identify, assess, and mitigate potential risks, ensuring greater control and resilience throughout the procurement lifecycle.

**Constant engagement through face-to-face meetings** also ensures that the project strategy and progress becomes tangible rather than virtual.



# The End Goal

Our strategy is designed to achieve measurable **cost optimization in the range of 15–20%** while maintaining project quality and design integrity.

This is accompanied by a significant **reduction in delays** through proactive planning and efficient supply chain management.

**Consistent quality standards** are ensured across all deliverables, aligned with operator requirements and brand expectations.

**Full compliance** with operator standards is maintained throughout, ultimately enabling a smooth and well-coordinated project handover with minimal disruptions to operational readiness.



**Thank You**