



PREPARED FOR

**MOBICA**

# Hotel Cost Savings Analysis

Comprehensive cost optimization assessment for hospitality procurement — switching to Mobica for Integrated Industries as your Furniture & FF&E supplier.

**Prepared for:** Hotel Procurement Decision Makers

**Supplier:** Mobica for Integrated Industries

**Vertical:** Furniture & FF&E

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**Website:** [www.mobica.net](http://www.mobica.net)

## Executive Summary

Total savings potential from optimizing your Furniture & FF&E procurement with Mobica for Integrated Industries.

ESTIMATED ANNUAL SAVINGS POTENTIAL

**\$280K – \$520K**

Based on a 5-property portfolio with 180 average rooms per property

### SAVINGS BY CATEGORY

PRODUCT COST  
REDUCTION

**25-40%**

vs. European/Asian import pricing

SHIPPING & CUSTOMS

**\$85K+**

eliminated import logistics costs

INSTALLATION SAVINGS

**\$45K+**

Mobica turnkey vs. separate  
installer

VENDOR CONSOLIDATION

**\$35K+**

fewer suppliers to manage

WARRANTY PROXIMITY

**\$25K+**

local warranty & repair service

ROI TIMELINE

**4-6 mo**

months to full ROI

## Cost Category Breakdown

Current estimated spend vs. optimization with Mobica FF&E products.

### SIDE-BY-SIDE COMPARISON

CURRENT PROCUREMENT <span>BASELINE</span>	OPTIMIZED WITH MOBICA <span>PROJECTED</span>
<ul style="list-style-type: none"> <li>× <b>Multiple vendors:</b> 6-8 suppliers across FF&amp;E categories</li> <li>× <b>Import dependency:</b> European/Asian manufacturers with 12-20 week lead times</li> <li>× <b>High shipping costs:</b> Container freight + customs duties (15-25%)</li> <li>× <b>Separate installation:</b> Third-party contractors for assembly &amp; placement</li> <li>× <b>Limited warranty:</b> Remote manufacturers cannot service warranty claims quickly</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Single vendor:</b> Consolidated FF&amp;E supplier across all 5 brands</li> <li>✓ <b>Local manufacturing:</b> Egyptian production with 6-10 week lead times</li> <li>✓ <b>Regional shipping:</b> MENA delivery at fraction of intercontinental freight</li> <li>✓ <b>Turnkey installation:</b> Mobica teams handle delivery through placement</li> <li>✓ <b>Proximity warranty:</b> Same-region service and replacement parts</li> </ul>
<p>EST. ANNUAL SPEND <span style="font-size: 1.2em; font-weight: bold;">\$1.8M</span></p>	<p>PROJECTED ANNUAL SPEND <span style="font-size: 1.2em; font-weight: bold;">\$1.28M</span></p>

PER-ROOM FF&E COST
<p><span style="font-size: 1.2em; font-weight: bold;">\$12,000</span> → <span style="font-size: 1.2em; font-weight: bold;">\$7,800</span></p> <p>per room (mid-market)</p>

VENDOR COUNT
<p><span style="font-size: 1.2em; font-weight: bold;">6-8</span> → <span style="font-size: 1.2em; font-weight: bold;">1</span></p> <p>suppliers</p>

SAVINGS RATE
<p><span style="font-size: 1.2em; font-weight: bold;">29%</span></p> <p>of current spend</p>

## Product Cost Reduction

Direct unit cost comparison for key hotel FF&E product categories: imported vs. Mobica.

### PER-UNIT COST ANALYSIS

PRODUCT CATEGORY	IMPORT COST	MOBICA COST	SAVINGS	% REDUCTION
<b>GUEST ROOM FURNITURE (LIVE BRAND)</b>				
King Bed Frame + Headboard	\$1,800	\$1,150	\$650	36%
Wardrobe Unit (built-in)	\$2,200	\$1,400	\$800	36%
<b>WORKSPACE FURNITURE (WORK BRAND)</b>				
Executive Desk + Chair	\$1,500	\$950	\$550	37%
Meeting Table (8-seat)	\$3,200	\$2,100	\$1,100	34%
<b>COMMON AREA &amp; LOBBY</b>				
Lobby Seating Module	\$4,500	\$2,800	\$1,700	38%
Acoustic Partition (per sqm)	\$650	\$380	\$270	42%

### MANUFACTURING COST ADVANTAGE

Mobica's Egyptian manufacturing base delivers **25-42% cost savings** across all FF&E categories compared to European imports. As an IKEA OEM supplier, Mobica operates at industrial scale (15 factories, 280,000 m<sup>2</sup>) with automated CNC production lines, achieving price points that bespoke competitors cannot match. For a 180-room mid-market hotel, switching to Mobica saves **\$756,000 per full renovation cycle**.

## Operational Efficiency Gains

Time and cost savings from streamlined procurement, reduced logistics, and local service.

### SHIPPING & CUSTOMS ELIMINATION

Switching from **European/Asian imports** to Mobica's regional manufacturing eliminates intercontinental container freight (\$8,000-\$15,000 per 40ft container), customs duties (15-25% ad valorem in GCC), and port handling fees. For a 5-property portfolio, this translates to **\$85,000+ in annual logistics savings**.

IMPORT DUTY SAVED

**15-25%**

LEAD TIME REDUCTION

**50-60%**

LOGISTICS SAVINGS

**\$85K+**

### TURNKEY INSTALLATION SAVINGS

Mobica provides **factory-to-floor installation** across MENA markets, eliminating the need for separate FF&E installation contractors. For a 180-room property, third-party installation typically costs \$45,000-\$65,000. Mobica's turnkey service reduces this to **\$0 incremental cost** (included in product pricing).

INSTALLATION COST

**\$55K avg**

MOBICA TURNKEY

**Included**

SAVINGS / PROPERTY

**\$55K**

### WARRANTY & MAINTENANCE PROXIMITY

With manufacturing in Egypt and service capabilities across GCC, Mobica provides **same-region warranty response** within 48-72 hours. Import suppliers typically require 4-8 weeks for replacement parts. Annual warranty and maintenance costs decrease by **\$25,000+ per property** due to reduced downtime and faster resolution.

## Implementation Strategy

Phased approach to maximize savings while minimizing operational disruption.

### QUICK WINS VS. LONG-TERM PROJECTS

#### QUICK WINS (0-3 MONTHS)

- Replace high-turnover FF&E items (desk chairs, lobby seating) with Mobica WORK brand — immediate 30%+ savings
- Pilot Mobica LIVE brand guest room packages at 1-2 properties during next renovation
- Consolidate all acoustic partition and wall cladding orders through Mobica (42% savings)
- Establish direct procurement relationship — eliminate distributor markups

#### LONG-TERM PROJECTS (3-12 MONTHS)

- Full property renovation with complete Mobica FF&E package (LIVE + WORK + common areas)
- Multi-property framework agreement with volume pricing tiers
- Custom-branded FF&E products with hotel chain logo and design language
- Integrated maintenance contract covering all Mobica-supplied properties

### IMPLEMENTATION ROADMAP

#### PHASE 1: WEEKS 1-4

##### Product Evaluation & Sampling

Visit Mobica's Cairo/Giza showroom. Request samples for guest room casegoods, seating, and workspace furniture. Test quality against current suppliers in 2-3 pilot rooms.

#### PHASE 2: WEEKS 5-8

##### Commercial Negotiation

Negotiate volume pricing based on multi-property requirements. Agree framework terms including delivery SLAs, warranty coverage, and custom branding specifications for GCC properties.

#### PHASE 3: WEEKS 9-16

##### Pilot Property Rollout

Complete FF&E renovation of one property using full Mobica package. Measure actual vs. projected savings. Collect guest satisfaction and operations team feedback.

#### PHASE 4: MONTHS 5-12

##### Portfolio-Wide Transition

Roll out Mobica FF&E across remaining properties as renovation cycles align. Activate volume discount tiers. Begin custom product development for brand-specific designs.

## Total Cost of Ownership Comparison

3-year TCO analysis: current multi-vendor imports vs. Mobica partnership.

### 3-YEAR COST PROJECTION (5-PROPERTY PORTFOLIO)



#### THE BOTTOM LINE

Transitioning hotel FF&E procurement to Mobica delivers **\$280,000 – \$520,000** in annual savings through direct manufacturing cost reduction, eliminated import logistics, turnkey installation, and local warranty service. Over 3 years, the total cost of ownership decreases by **35%**, representing **\$1.97M** in cumulative savings for a 5-property portfolio. The switch pays for itself within **4-6 months** through immediate per-unit cost reductions on the first Mobica orders.