

BUSINESS PLAN

FOR THE PROPOSED CONSTRUCTION OF NEPTUNE LUXURY TENTED CAMP
AT SOROI AREA IN SERENGETI NATIONAL PARK.

CLIENT:



NEPTUNE HOTELS

We Promise African Memories

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LIST OF ACRONYMS

TANAPA- Tanzania National Parks Authority

SENAPA- Serengeti national park

PTC- Permanent tented camp

BP- Business plan

TTIM- TANAPA Tourism investment manual

SGMP- Serengeti national park general management plan.

TALA- The Tourism Agency Licensing Authority.

LTC- Luxury Tented Camp.

NHSL- Neptune Hotel Serengeti Limited.

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1. INTRODUCTION

1.1) EXECUTIVE SUMMARY

The requested business plan (BP) outlines the proposal by Neptune Hotels Serengeti Ltd (NHSL) for up to 50 guests with 25 units only in Serengeti national park. Neptune Hotel Serengeti Ltd long term strategy is to develop a series of reputable, luxury tented camps and lodges across known and lesser known wildlife areas and attract more people to visit Tanzania. Neptune Hotels Serengeti Ltd after having an opportunity to visit Serengeti national park presented a letter of intent to TANAPA seeking permission to invest in construction of a permanent tented camp (PTC) in Serengeti national park. Neptune Hotels Serengeti Ltd is applying to TANAPA for establishment of Luxury Tourism permanent camp in Serengeti national park. LTC camp will provide a gateway for visitors to experience the natural beauty of Serengeti national park.

Neptune Hotels Serengeti Ltd is a well-respected company that has a good relationship with government bodies at the central, region, and district levels. The government significant contributions to conservation, community development and anti- poaching is well recognized by officials and has enabled vital work to be carried out to conserve Tanzania most precious natural resources. The additional economic value from local employment and purchasing and funding community development projects will ensure the proposed development has a lasting positive social impact.

The property will target all types of clients and provide a more cost effective option than competing properties, contributing to the high value, low impact tourism defined by TANAPA. It will help to increase the demand for upmarket accommodation facilities in Tanzania by growing numbers of tourist coming to stay in the parks.

The development of Luxury tented camp will be done with utmost care and consideration of the environment during the construction phase and operations. The ecofriendly design of the rooms, facilities, utilities and support areas will ensure minimal disturbance to flora and fauna. Natural colors, shapes and materials will protect the view shed for visitors of the park. The forthcoming environmental impact assessment will further guide the design of the development and all recommended mitigation measures against adverse impacts will be strictly adhered to.

Neptune Hotels Serengeti Ltd is committed to develop an extra ordinary safari destination that incorporates ultimate luxury, unbeatable leisure and exceptional service. With extravagant rooms, intimate dining and variety of activities that will satisfy guest needs, Luxury tented camp and unrivaled natural beauty of Serengeti national park will provide unforgettable experience for visitors and guests. Luxury tented camp will provide a combination of wilderness experience and varieties of food cuisine at affordable and valuable price.

1.2) BACKGROUND.

Neptune Hotels is among the leading hospitality companies in East Africa.

With a portfolio of resorts on Africa's most pristine beaches, and safari properties offering the highest level of luxury, the mission of Neptune is to expose the world to the natural beauty and hospitality of East Africa.

For over 40 years Neptune has provided the utmost care to its guests in order to deliver the highest standard of service for total customer satisfaction.

Neptune prides itself on its ethical practices and positive contributions to the communities where it operates.

The Neptune community is trained to ensure you have a stress free and memorable stay, with an aim to exceed your holiday expectations by offering you the best resorts, safari camp and lodge in the best locations.

- **Neptune Mara Rianta Luxury Camp**, nestled in the heart of the Masai Mara.
- **Neptune Ngorongoro Luxury Lodge**, minutes away from the Ngorongoro Crater and its volcanic landscape.
- **Neptune Beach Resort**, located on the North Coast of Mombasa, Bamburi Beach.
- **Neptune Paradise Beach Resort & Spa**, located on the South Coast of Mombasa, Diani Beach.
- **Neptune Village Beach Resort & Spa**, located on the South Coast of Mombasa, Diani Beach.
- **Neptune Palm Beach Boutique Resort & Spa**, located on the South Coast of Mombasa, Diani Beach.
- **Neptune Pwani Beach Resort & Spa**, located on the North East Coast of Zanzibar, near Kiwengwa.

1.2.1) ORGANIZATION ASPIRATION

We love Tanzanian people, culture, landscape and wildlife. We are dedicated to do our part to make sure they all thrive. We do so by taking significant proceeds from all of our properties and reinvesting them back into the local indigenous cultures, communities, government and wildlife conservation effort.

1.2.2) COMPANY'S VISION STATEMENT

Building an Impact Legacy by Igniting Passion and Purpose in Tourism luxuries accommodation And Responsible Tourism Driven by Kindness, Inspired by Excellence in Our Pursuit of Success.

1.2.3) MISSION STATEMENT

As a pioneering brand, the Neptune Hotel group is committed to being true to the values which under-pin our vision. We will endeavour to stay true to our fundamental principles as we journey toward a corporate evolution and quest, to ensure our clients take away from each visit, more than with which they came.

Our mission is to be an intellectually driven, quality conscious group, with clear direction for our staff and stakeholders. We will strive to meticulously convey our purpose, to all who play a part in its fulfilment. As we continue to build on the solid foundation we have laid, we will capitalize, now more than ever, on our robust, independent and creative management team, who too, carry our values forward, toward the highest level of service for our customers.

One of our aims, as we enter our transformative process, is the revolutionizing of the way we deploy our most precious resource, our Human Capital. Delegating to strength and not necessity, empowering and bridging gaps and ensuring opportunity for growth is readily available to those who seek it. This commitment is paramount to the premium levels of quality and excellence we continually strive for.

We are proud of this commitment; and coupled with our sound financial platform, we will continue to serve more than just our business objectives. A solid financial base enables us to extend ourselves to our customers and employees alike. It is our belief that when our business profits, the benefit must be felt by those who have served as conduits to our success. This is the very heart and reason; propelling us forward in an ever evolving society.

As we embark on this era of change, our guiding light must never dim. Our beacon will always be Merit and Quality of Service in its fullest sense.

As the Neptune Group, we are solidifying our commitment and giving birth to our Social Contract. A contract in which we pledge to respect and protect local culture and traditions. Preserve and where possible enhance our local eco-system. Our Social Contract will be our living and perpetual promise to those whom we serve and to those who serve us. But above all, to raise the bar, set the pace and be the front-runner in tourism standards and African Memories, where ever we operate.

1.3) THE BUSINESS AND SITUATION ANALYSIS.

Neptune hotels Serengeti Ltd proposes Luxury tented camp for up to 50 bed capacity (25 guest units) to be constructed with in Serengeti national park. This is an ideal location because it complies with TANAPA site selection criteria. The Luxury tented camp will provide a gateway for visitors to experience the majestic beauty of Serengeti national park before continue onto more remote areas in the region. Experience shows the type of proposed development will not have significant adverse environmental impact to the park. This location has beautiful landscapes and

vegetation, which make it appropriate for the proposed facility. The Luxury tented camp will be easily accessible via the two airstrips, the seronera and Grumeti airstrips.

The projected development, funded through shareholders capital of Neptune Hotels Serengeti Ltd will encapsulate astounding luxury and exquisite beauty with the utmost care given to harmonizing with the natural environment through a commitment to eco-friendly services and natural blended lodgings. Hidden against a canopy of acacias, tourist will be attracted to the spectacular views of the grassy plains habituated by impala, warthogs, zebra, giraffe, lion, waterbuck, buffalo, eland and gazelle and the in depth interpretative program delivered by skilled Tanzanian guides.

Neptune hotels Serengeti Ltd desire to develop such a facility is encouraged by the fact that the Tanzanian government is supportive and encouraging the development of tourism sector, in particular with regards to the development of up market services such as the one envisioned in the proposal. The proposed NHSL LTC facility will be offering high quality services in an amazing environment that offers diverse wilderness experience. The facility is aimed at satisfying high end visitors in the Serengeti national park.

In this regards we will develop the property that will have a unique and individually defined identity which in turn will set it apart from other tourist brand namely those that cater to a broader higher volume of visitors. Furthermore the company through marketing efforts will promote the united republic of Tanzania itself as a brand destination to attract the type of clients that required fulfilling low impact tourism. Our branding efforts will be directed towards high income, low impact ecotourism as emphasized in national tourism policy and national policies for national parks.

1.3.1) OUR PRODUCT AND SERVICES

The ultimate goal of a product or service is to facilitate exchange between an enterprise and its customers. High quality products or services will influence the willingness of consumers in different market segments to pay luxury prices to match the quality requirements. The proposed LTC will be offering a high quality services /product in an environment that offers a diverse wilderness experience. In particular, the project aimed at providing high class accommodation and services for visitors and improved tourist accommodation capacity and associated recreational facility in Serengeti national park.

Our aim is to construct a camp that falls within 50 beds unit limit fully equipped kitchen, laundry facilities, bar , dining. In short the back and front of house designs will blend in with nature.

The following are the main product and services which will be offered on site.

- Accommodation
- Meals
- Beverages

- Laundry
- Game drive and natural walks
- Bush meals, Sundown and sunrise.
- SPA
- Gym
- Swimming pools

1.3.2) STRUCTURES, PRODUCT, AND SERVICES AND THEIR LOCATIONS

CAPACITY:

- 10 double bedroom 20pax
 - 5 twin bedroom 10pax
 - 10 family room 20 pax
- TOTAL CAPACITY 50pax**

ITEM	ZONE	QTY	UNIT AREA (M2)	TOTAL AREA (M2)
A	GUEST SERVICES			
1	Reception & Front desk	1	9	9
2	Lounge	1	24	24
3	Shop	1	12	12
4	Restroom	2	6	12
B	ADMIN			
1	1 X Office tent (3 Desks)	1	9	9
	Communication facility			
	Server Area			
2	Luggage Store	1	6	6
C	RECREATION			
1	Lounge & bar	2	40	80
2	Mess Tent	2	35	35
3	viewing platform	2	24	24
4	1x waiters station	1	12	12
D	ACCOMODATION			
1	Guest tents room	25	165	690
2	Terrace/Deck	25	50	
F	BACK OF HOUSE FACILITIES			
1	Washing Area	1	6	6
2	Kitchen	1	20	20
3	Food production area	1	9	9

4	Baking	1	9	9
5	Cool room	1	16	16
6	Drinks store	1	12	12
7	Food store room	1	12	12
8	Cleaning material store	1	6	6
9	Furniture store	1	9	9
G	STAFF WELFARE FACILITIES			
1	Staff bedroom	6	12	72
2	2x pro guide tents	2	24	24
3	Drivers accommodation	2	12	24
4	staff washroom and toilets	2	6	12
5	staff kitchen	1	12	12
6	staff dining area	1	24	24
7	managers dinning and accommodation	2	30	60
H	WORKSHOP AND MAINTAINANCE			
1	Vehicle workshop	1	12	12
2	maintenance room	1	9	9
3	1x fuel cage			

1.3.3) HUMAN RESOURCES

NHSL intending to employ about 50 workers whereby 35 will be males and 15 females.

The camp operations team rotation will be mostly guided and determined by the business cycle which traditionally has a high and low seasons in Tanzania. In the high season Neptune hotels Serengeti Ltd would issue additional short term contracts where needed. It is the intension of the Neptune hotels Serengeti Ltd to recruit and provide on job training for as many local individuals as possible, working with consultation with SENAPA to ensure local community inclusion and development.

Contracts will be prepared in accordance with Tanzania labor law and will have competitive rates to pay and benefits including NSSF and NHIF membership and annual leave allowance, to be mainly taken in low seasons from March to May. Staff will work according to an early and late shift system and any overtime will be duly compensated. They will be provided with appropriate uniforms and all required personal protective equipment in line with occupational health and safety standards.

It will further include related facilities (i.e maintenance workshop & store) manager and assistant manager, accommodation and staff village during operations.

STAFF ALLOCATION

S/N	CATEGORY	POSITION	QUANTITY
1	MANAGEMENT	CAMP MANAGER	2
2	FRONT OFFICE	RECEPTIONIST	4
3	FRONT OFFICE	LUGGAGES CARRIER	4
4	FOOD AND BEVERAGE	KITCHEN	8
5	FOOD AND BEVERAGE	WAITER/BARMAN	8
6	HOUSEKEEPING	HOUSE KEEPING	6
7	HOUSE KEEPING	LAUNDRY	5
8	SECURITY	CAMP SECURITY	4
9	MAINTENANCE	MAINTENANCE	4
10	DRIVER	DRIVERS	5
		TOTAL	50

2) MARKET ANALYSIS

2.1) TOURISM INDUSTRY TREND IN TANZANIA

According to Tanzania invest recent article: Tanzania tourism sector generates USD 1.4 Billion in revenue in 2021, versus USD Billion in 2020 when it was severely affected by the Covid-19 pandemic and its impact on international travel, and 2.6 Billion in 2019. The sector contribution top GDP fell from 107% in 2019 to 5.3% in 2020. Tanzania hotel occupancy rate was estimated at 53.8% in December 2019 compared to 44.9% in December 2018.

Tanzania tourism is seeing a rebound after covid-19 pandemic and the aspirations for its continued growth are highly by 2025 the country hopes to reach \$6 billion in tourism revenue, which assumes the influx of five million tourists annually. To achieve such lofty goals will require some important upgrades and improvement to tourism infrastructure and services. I outline a few of them in this article.

Before the pandemic tourism was the largest foreign exchange earner, the second largest contributor to the gross domestic product (GDP) and the third largest contributor to employment. After taking a severe hit during Covid-19, tourists are starting to return to Tanzania. With 742,133 visitors between January and July 2022, a 62.7% increase over the previous year.

In April 2022, Tanzanian president Samia Suluhu Hassan unveiled "The Royal Tour" documentary while promoting FDIs during her official visit to US. Filmed throughout Tanzania in 2021, it features Emmy Award Winning journalist Peter Greenberg travelling to Tanzania with her president Hassan. She is the ultimate guide for a week, exhibiting Tanzania history, culture, environment, food, and music as well as telling stories of Tanzania hidden jewel.

The company also intends to widen its networks and be part of the growing wave of international tourists from emerging leisure focused societies supporting people with a yearning for exotic travel and increasing disposable income. Additionally LTC intends to service the needs of Tanzanian based companies and government through established partnerships with a wide variety of operators in Tanzania.

The main market leaders for tourism arrivals in Tanzania are the USA, UK & Europe. However Europeans and North American are seen as the key nationalities to enter in the Parks. Emerging parks are also being seen from wider Europe, Australians and South Americans.

With the established agents in USA, Europe, Asia and Africa and strategic alliances with other tour companies operating in Tanzania, Neptune hotels Ltd has a scope and connections to reach high-value patrons around the world and use its positioning as reputable and respected tour operators to attract clients to experience the exclusive nature of Serengeti National Park.

NUMBER OF TOURISTS AND REVENUE IN THE PAST FIVE YEARS

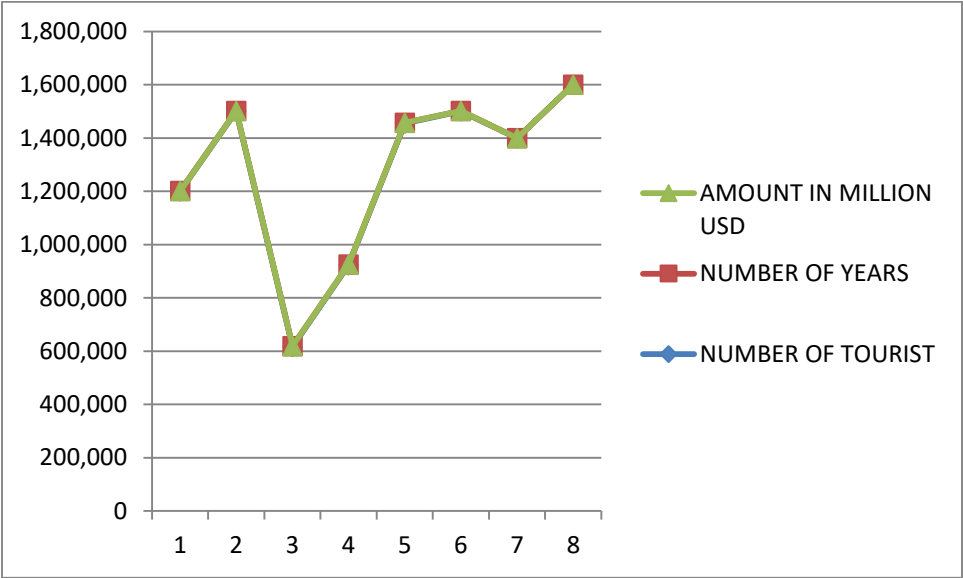


Table: Tourism is return after covid – 19 pandemic
 Source: NBS and Bank of Tanzania.

2.2) MARKET SIZE AND TREND IN SERENGETI NATIONAL PARK.

Serengeti is the most visited park in Tanzania. On 9th November 2020 , the Serengeti national park in Tanzania won for the second consecutive year the world travel awards for Africa leading national park category. According to PWC estimates, improvements in basic infrastructure and the upgrade of the Tanzania national air carrier air Tanzania and of regional airports should help the tourism sector in the long run.

The report also reminds that over the next five years, five new major hotels are scheduled to open—three in Dar es Salaam and one each in Zanzibar and Serengeti adding nearly 800 rooms. PWC estimates a growth in available rooms of 2.0% compounded annually with the number available rooms increasing from 7,700 in 2016 to 8500 in 2021 and project guest nights to rise from 1.6 million to 1.8 million in 2021, a 2.4% compound annual increase.

Several new tourist lodges and permanent tented camps have been proposed inside the property, most likely facilitated by the changes to the zonation scheme of Serengeti, under the 2014-2024 general management plan for Serengeti (IUCN Consultation,2020). The number of visitors has increased strongly over the past ten years, and current number around 300,000 per annum, about half of whom are foreign visitors. There is a total bed capacity of 3,766 and a policy to grow this number through development of low-impact high value facilities focused on additional tented camps. (<https://www.rriis.biopama.org>) . This will be attributed to prevailing government policies related to tourism development and promotion. Number of visitors facilities and activities will be increased to meet this demand in an environmental sustainable way. Therefore, the dispersal of visitors to other areas of the park is required through providing amenities and activities such as visitor centers, balloon operations, night drive, filming, walking safaris, guided bird watch and an improved and expanded game-viewing road network.

TANZANIA TOTAL ROOM REVENUE

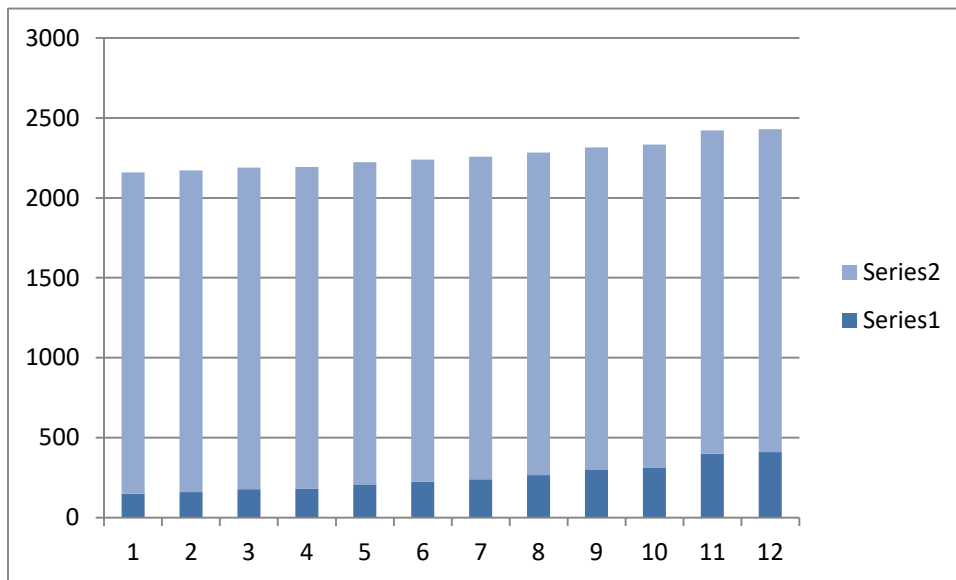


Table: shows the trend of visitors to Serengeti national park from PWC report.

2.2.1) CURRENT INFORMATION ON PERMANENT ACCOMODATION FACILITIES

Furthermore in order to obtain a picture of what the current facilities are in the Serengeti national park, a comparison between camps in the Serengeti and the neighboring masai mara were analyzed as follow.

NAME	RATE	OCCUPANCY	GROUP	LOCATION
Great plains masai mara	US\$ 1400-1900	65-72	Great plains group	masai mara resarve
		92-95 (Migration)		
Beyond Grumeti river lodge	US\$ 840-1340	65	Beyond	serengeti reserve
		85-95 (Migration)		
singita mara river lodge	US\$ 1600-2100 (SASWAKWA)	75		
	US\$ 6500-10000(HOUSE)	85 (House)	singita	serengeti reserve
		95 (migration)		
beyond Mara	US\$ 900-2170	65		
		85-95 (Migration)	beyond	masai mara resarve

Table: comparison between camps in Serengeti and masai mara.

2.3) MARKET POSITION.

The Serengeti national park is home to other Permanent tented camp, of which some are operating in the same price bracket as the intended LTC and can be considered as direct competitors to the NHSL proposed development.

These includes

- . Singita mara river camp
- . Beyond grumeti river lodge
- . One nature
- . Four seasons
- . Lemala kuria hills
- . Asilia safari and Namiri Plains camp.
- . Nomad Lamai

In order to better understand NHSL proposed Luxury tented camp market position, strength, weaknesses, opportunities and threads (SWOT) analysis has been carried out.

The analysis shows that the forces driving market demand, both economic and geographic are positive with more people visiting Serengeti national park each year. On the negative side, emerging from the pandemic traveler trends is unpredictable and although there is optimism, there is a cautious approach adapted to revenue and revenue generation ability.

2.3.1) SWOT ANALYSIS

STRENGTHS

- . Financial stability
- . Low volume, high yield model

- . Professional team and expertise
- . Exclusive and private dwellings
- . Proximity to airstrip
- . Ideal business location
- . Marketing agents worldwide

OPPORTUNITIES

- . Ready market attraction and growth
- . TTB-Tourism marketing & TATO
- . Proximity to other parks and game reserves
- . Capture the momentum of Royal Tour and its promotion of Tanzania.

WEAKNESSES

- . High investment cost with low rate of return
- . Competitors strong brand reputation
- . Lack of product differentiation

THREATS

- . Stiff competition within tourism market
- . Catastrophe and Pandemic
- . PTC Demand
- . Customer bargaining power

2.4) MARKET DEMAND

A market demand was conducted to find out the general structure of the permanent tented camps and lodges business. The findings were, factors influencing demand includes the type of customers, pricing, competitive conditions, quality, diversity, and accessibility. Having enough knowledge of these issues will only determine the type of investment required, capacity build up, marketing and promotion strategies and the general project viability.

The Neptune hotels Serengeti Limited name has been growing in reputation and extending its reach over the last few years, cementing its standing as a luxurious safari outfit offering a glimpse of the most pristine areas of Tanzania. Positioned at the top end of the luxury safari market, it is renowned for its specialist knowledge and exclusive offerings enabling people to experience the true wild areas of Tanzania. NHL will build upon the strength to build the brand of LTC nationally and internationally across trade fairs and agents across the world.

Feedback gathered from previous clients of Neptune hotels Serengeti Limited shows that visitors to the Serengeti wants to see the big 5 experience local customs and traditions, and enjoy eco-friendly luxury in unspoiled, exclusive environs. People are also concern about having a positive

impact on local communities and conservation effort and are willing to support initiatives that are committed to these aims. The strategic positioning of the proposed LTC will enable NHSL to deliver on these demands through the provision of an environmentally sensitive Permanent tented camp that blends harmoniously with its surrounding in wildlife rich areas. NHSL commitment to support local communities and conservation efforts will provide guests with an opportunity to donate to community projects and learn about the impact of community development and conservation activities that NHSL contribute to.

2.5) TARGET MARKET

Luxury tented camp targets all kind of clients with the following characteristics.

- . Age- youngster to old age, single, married, currently past college age.
- . Family unit – we highly appeal to the families (young families) with children.
- . Gender- we will target both sexes.
- . Income- we will appeal to the high income bracket market.
- . Psychographics- people with high aspirations and high values to nature and wildlife at large

2.6) OUR COMPETITIVE ADVANTAGE

- . Professional team with global experience
- . Well placed pricing strategy appealing to a global market.
- . Enthusiastic and friendly staff
- . Innovative techniques with a future lens
- . Ability to satisfy our clients through a privatized safari experience

3) SALES AND MARKETING STRATEGIES.

THE TOURISM INDUSTRY ANALYSIS

In 2021, the number of tourist arrivals reached 922,692, signaling a revamp in tourism activities. Revenue from tourism activities reached USD 1,396.34 MILLION IN 2021. IN 2020 travel receipts declined by 59.2% to USD 1.6 million explained by measures by measures taken by most countries to limit the spread of Covid-19, which included lockdown and suspension of internationally passengers flights. Accordingly, number of international tourist arrivals decline to 616,491 in 2020 (www.tanzaniainvest.com/tourism)

The Tanzania government has allocated more than 40.5% of its total land area for wildlife national parks and protected areas. Consisting of 22 national parks, 28 game reserves and 44 game controlled areas, 1 conservation area and 2 marine parks the extensive allocation of protected land

and close collaboration with the Tanzania tourism board (TTB) to promote these areas as a unique and welcoming destination demonstrates the government commitment to promote tourism and support development projects that conserve the natural beauty of these areas and generate revenue for the long term conservation activities.

3.1) MARKETING PROMOTIONAL STRATEGY

The primary aim of NHSL promotional strategy is to establish and maintain productive communication avenues with varied stakeholders. This is to ensure the following the market and its rapidly changing needs and trend as well understood, booking agencies and tour operators have comprehensive and up to date information and client feedback is received and reviewed with changes being made where necessary.

To achieve these aims, NHSL will implement a marketing promotional strategy that utilizes a professional, visually stunning website linked to carefully manage social media platforms. Top professional quality collateral will be shared and distributed widely in hard print and online. Consistent branding across uniforms, guest gift, souvenirs and marketing collateral will be used brand awareness of Neptune hotels Serengeti and the Serengeti property.

NHL will ensure that representatives attend and make a big impact at industry trade fairs including We are Africa ITB, INDABA and PURE life experience, offering stylized mementos to delegates and using experienced marketing personnel to share the vision and experience of the Neptune hotel Serengeti Limited. The company will support local and international promotional events through in kind sponsorship and in support of charitable initiatives.

We will deploy different marketing tactics to increase customer awareness of Luxury tented camp. Our most important approach will be word of mouth and social media marketing. This will be by far the cheapest and most effective of our marketing programs because of the location.

The in-store and local store marketing approach will be used as regards low-budget plans that will provide community support and awareness of our facility. Local and social media will also be employed to market the NHSL-LTC.

Marketing implementation

- . Brochure inclusions in both local international trade partner publications.
- . Online digital brochure
- . High quality website driven by consumer analytics
- . Digital marketing campaigns
- . Direct mail piece

- . Social media Campaigns

3.2) SALES STRATEGY

The sales strategy is to generate global awareness of the Neptune hotels Serengeti limited brand as the best safari company in Africa. This will allow us to increase revenues and make an increased and tangible contribution to Tanzania. Its people and its wildlife The LTC will exist in the higher end of the Tanzanian tourism market, with rates throughout and curated to offer value in line with the breathtaking architecture quality furnishings and exceptional service. A typical client of the Neptune hotels Serengeti ltd is a connoisseur of travel, willing to pay rates of value for high quality experiences. The sales strategy therefore will be based on the cost of providing these high quality services and will offer competitive rates for the higher standards provided whilst demonstrating value for money against comparative properties in the Serengeti area. Sales will be handled primarily through external tour operators, who will be offered competitive rates to incentivize sales and establish LTC as the number one choice for luxury accommodation in the Serengeti.

4) STRATEGIC PARTNERSHIP.

Partnership with key stakeholders will form the backbone of the proposed NHSL LTC marketing campaign. Maintaining good relationship with government bodies including TANAPA, SENAPA and the ministry of natural resources and tourism, is vital to ensure continued cooperation and smooth operations. As a member of TATO (Tanzania association of tour operators), TSL is part of wider group of representatives working to ensure that tourism can and will continue to thrive in Tanzania.

We have created effective relationship with tour operators and travel companies which secure NHSL position as a reliable and professional accommodation provider under the brand. This will increase the company scope and reach to wider markets and create a shared platform for marketing

Tanzania as the safari destination. Relationship has been established through professional networks and industry marketing events such as kili fair and we are Africa.

Through these initiative and more NHSL intends to leverage its strong current market position and attract more people to come to Tanzania to experience the exceptional and unique natural beauty the Serengeti has to offer.

5) FINANCIAL ANALYSIS

5.1) SOURCE FINANCING.

There shall be one source of financing: owners' equity.

S/N	SOURCE OF FINANCING	%	AMOUNT
1	owners equity	100	\$ 5,000,000
TOTAL			\$ 5,000,000

5.2) CASH FLOW PROJECTION

PROJECTED CASH FLOW (USD)					
CASH IN FLOW	2024	2025	2026	2027	2028
OPENING BALANCE		13,448,460	25,862,028	37,331,504	46,956,528
INCOME	16,450,560	18,643,968	20,837,376	23,030,784	25,224,192
OWNERS CONTRIBUTION	5,000,000				
TOTAL CASH INFLOW	21,450,560	32,092,428	46,699,404	60,362,288	72,180,720
CASH OUT FLOW					
DIRECT EXPENSES	1,600,000	2,700,800	4,500,000	6,090,400	9,104,900
PERSONNEL EXPENSES	1,000,700	1,600,000	2,100,700	4,145,900	6,097,000
ADMINISTRATIVE EXPENSES	560,800	760,900	910,400	1,209,500	2,860,500
SELLING AND DISTRIBUTION EXPENSES	550,600	650,400	736,900	1,400,960	3,050,400
ADDITIONAL TO FIXED ASSETS	4,290,000	510,700	1,090,500	470,000	6,000,000
TAXATION	0	7,600	29,400	89,000	107,000
TOTAL CASH OUTFLOW	8,002,100	6,230,400	9,367,900	13,405,760	27,219,800
SURPLUS/ (DEFICIT)	13,448,460	25,862,028	37,331,504	46,956,528	44,960,920

5.3) FACTORS USED TO PROJECT CASH FLOW

- i) Number of inflation should not exceed 5%
- ii) Number of tourist visiting Serengeti national park will continue to grow year by year.
- iii) Tanzania will maintain its competitiveness, environmental sustainability and culture tourism.
- iv) There will be potential stability in East Africa region
- v) Capture the momentum of the royal tour and its promotion of Tanzania as a tourism destination.

5.4) SALES FORECAST

We have plans that our occupancy rate for 50 beds LTC will start with 30% of coverage, due to it being a new safari product and needing time to establish itself in the market followed by an increase of 4% for the next five years.

WSC REVENUE					
CASH INFLOW	2024	2025	2026	2027	2028
OCCUPANCY RATE	30%	34%	38%	42%	46%

ROOMS AVAILABLE PER NIGHT	50	50	50	50	50
AVERAGE DAILY RATE	3808	3808	3808	3808	3808
TOTAL BED NIGHT (PA)	4,320	4,896	5,472	6,048	6,624
REVENUE PER ANNUM	16,450,560	18,643,968	20,837,376	23,030,784	25,224,192

5.5) TANAPA REVENUE/ CONCESSION

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
BED NIGHT SOLD	4320	4896	5472	6048	6624
TANAPA INCOME	518,400	587,520	656,640	725,760	794,880

TANAPA will earn revenue from the proposed development project through guests (adult and children) concession fee, Serengeti national park fee and motor vehicle fee.

5.6) PRICING STRATEGY

i) **Occupancy based pricing**

Occupancy based pricing strategy is the best way if you want to increase room revenue. You can set when the hotel room is rated. Off season will base on demand and supply. Whenever there is demand you can increase the rate of your room for more business. Other seasons you can lower the rate to fill the rooms and gain more profit.

ii) **Forecast based pricing.**

Forecasting is an important factor to consider for setting the price of the rooms available for future dates. Accordingly you can change the room rates based on the coming demand or occupancy.

iii) **Market competition based pricing**

Comparison with other competitor's room rates on getting a clear idea on how the market is trending. This can be effective by listing competitors based on factors like, property type, room rates, star category, offers or discounts, or promotion channels.

iv) **Segment based pricing**

This strategy implies that one size does not fit all. Similarly, one price cannot govern all the segments you sell your property in. The price for corporate groups will always differ from each other in terms of volume, frequency of guests or cancellation ratio.

v) **Length of stay based pricing.**

Pricing can be adjusted based on the length of guest stay. The length of stay ideally depends on the number of night packages you are offering to your guests. An advantage of the length

of stay pricing is that they are offered one rate for their entire stay based on their arrival date and total reservation night. This strategy will be much applicable during festivals and vacations.

LUXURY TENTED CAMP

PRICING FOR THE CAMPSITE

All figures based in USD

FULL BOARD Per person per night	High season		Shoulder season		Green season	
	01 Jan- 29 Feb		01-14 Dec		01 Apr- 31May	
	15 Jun- 31 Oct		01-14 Jun		01-30 Nov	
	15-31 Dec		01-30 Mar			
	Rack	Net	Rack	Net	Rack	Net
Pp sharing in double/twin	3,808	3,700	3,800	3,500	2,800	2,500
Pp sharing in triple	3,808	3,500	3,800	3,400	2,500	2,300
In single	3,800	3,800	3,700	3,500	2,300	2,000
Child (5-12 years old)	3,500	3,000	3,300	3,000	2,000	1,900
Inclusion	Full board accommodation (breakfast, lunch, dinner) bottled drinking Water, coffee, tea during meals and Government taxes VAT					
Excluded	Serengeti park fee, special camping fee, soft drinks, house wines, local Beers, juice, premium spirits, wines, champagne, flying doctor medical, Insurance, airport taxes					

5.8) PAYMENT OPTIONS

Payment will be made through the following means

- i) Cash
- ii) Credit cards
- iii) Cheque
- iv) Online transfer
- v) Electronic banking platform.

6.1) INVESTMENT BUDGET

Hospitality facilities are associated with several types of costs. They must be developed and constructed. Once occupied they must operate and eventually they must be renovated and modernized the projected 3.5 million USD development fund is expected to be injected in this project.

6.2) OPERATIONAL BUDGET

Operational budget for this project is estimated as follows

AMOUNT IN USD					
PARTICULARS	2024	2025	2026	2027	2028
INCOME					
TOTAL INCOME	16,450,560	18,643,968	20,837,376	23,030,784	25,224,192
LESS					
DIRECT EXPENSES	1,600,000	2,700,800	4,500,000	6,090,400	9,104,900
PERSONNEL EXPENSES	1,000,700	1,600,000	2,100,700	4,145,900	6,097,000
OPERATING EXPENSES	560,800	760,900	910,400	1,209,500	2,860,500
SELLING AND DISTRIBUTION	550,600	650,400	736,900	1,400,960	3,050,400
BANK CHARGES	20,700	35,000	53,000	64,000	73,000
TOTAL OPERATING BUDGET	12,717,760	12,896,868	12,536,376	10,120,024	4,038,392

Assumptions on Operating Budget

- i) Operating in three years our assumption is the campsite will be marketed 100% so there will be demand for new rooms and tents
- ii) New assets added on the business will be brand new in order to ensure going concern of the business.

7) CAPITAL INVESTMENT

7.1) CAPITAL INVESTMENT SCHEDULE FOR LUXURY TENTED CAMP

AMOUNT IN USD					
PARTICULARS	2024	2025	2026	2027	2028
Tent and bandas	702,500	0	270,000	0	0
Computers and office equipments	30,000		10,000	0	30,000
plants and equipments	100,000	0	250,000	0	250,000
Furniture and fittings	140,000	0	0	230,000	140,000
vehicles	70,000	40,000	135,000	0	0

hydrological survey and water	65,000	0	0	0	0
Archtech and development	15,500	0	0	0	0
Sub Total	1,123,000	40,000	665,000	230,000	420,000
5% contingency fund	49,650	2,500	32,750	11,500	21,000
Grand Total	1,172,650	42,500	697,750	241,500	441,000

7.2) STRUCTURE COST.

S/N	PARTICULAR	UNIT PRICE	QUANTITY	AMOUNT (USD)
1	TENT AND POLES	5,000	20	100,000
2	METAL BED	10	750	7,500
3	DRESSING TABLE	340	20	6,800
4	WARDROBE	291	20	5,820
5	READING TABLE	63	20	1,260
6	TABLE CHAIR	33	100	3,300
7	FLOOR TIMBER	40	1,800	72,000
	SUBTOTAL			124,680
	LOUNGE			
1	COUNTER SHELF	315	4	1,260
2	MIDDLE SIZE TABLE	85	20	1,700
3	SMALL SIZE TABLE	75	20	1,500
4	CHAIRS	50	100	5,000
5	SAFARI CHAIRS	50	100	5,000
6	LOUNGE TENT AND POLES		2	12,500
	SUBTOTAL			26,960
	MESS			
1	LONG TABLE	160	4	640
2	MIDDLE SIZE TABLE	75	20	1,500
3	CHAIRS	65	25	1,625
4	MESS TENT AND POLES			12,500
	SUBTOTAL			16,265
	SOLAR SYSTEM			11,250
	TOTAL			179,155

7.3) PROJECT FINANCING

This project will be financed as follows.

S/N	SOURCE OF FINANCE	%	AMOUNT
1	OWNERS EQUITY	100	3.5M USD
TOTAL			3.5 M USD