

TANZANIA SAFARI BUG LTD

BUSINESS PLAN

FOR

TOUR OPERATOR AND CAMPS PROJECT

MARCH 2024

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1 Executive Summary: Tanzania Safari Bud Ltd

Introduction

Tanzania Safari Bud Ltd, headquartered in Kisongo, Arusha, is a pioneering force in the realm of safari tourism, offering bespoke experiences that encapsulate the essence of Tanzania's majestic landscapes and rich cultural heritage. With a steadfast commitment to excellence, sustainability, and community engagement, our company stands as a beacon of innovation and authenticity in the Tanzanian safari industry.

1.1 Mission Statement

At Tanzania Safari Bud Ltd, our mission is to curate unforgettable safari adventures that not only immerse travelers in the breathtaking beauty of Tanzania and Africa's natural wonders but also foster a deep appreciation for wildlife conservation, cultural diversity, and sustainable tourism practices. We strive to exceed our clients' expectations by delivering personalized service, unparalleled expertise, and meaningful connections with the people and places we encounter along the way.

1.2 Vision Statement

Our vision at Tanzania Safari Bud Ltd is to be recognized as the premier provider of transformative safari experiences in Tanzania and beyond, setting the standard for excellence, integrity, and environmental stewardship in the industry. We envision a future where every journey with us not only leaves a lasting impression on our clients but also contributes positively to the preservation of Tanzania and the region's pristine ecosystems, the empowerment of local communities, and the advancement of responsible tourism practices on a global scale.

1.3 Ownership

Tanzania Safari Bud Ltd is a privately owned company, with ownership vested in the hands of passionate individuals deeply rooted in the Tanzanian tourism industry. Our ownership structure reflects a commitment to local stewardship, empowerment, and the preservation of Tanzania's natural and cultural heritage. By maintaining independent ownership, we uphold our values of integrity, accountability, and long-term sustainability, ensuring that every decision we make is driven by a dedication to serving the best interests of our clients, employees, and the communities we operate within.

Ownership arrangement

Name	Number of shares	Nationality
Michael Goodluck Msuya	900	Tanzanian
Grace Joseph Msuya	100	Tanzanian

1.4 Legal Registration

Tanzania Safari Bud Ltd is duly registered and licensed to operate as a safari tour company under the laws and regulations of the United Republic of Tanzania. We adhere strictly to all legal requirements and industry standards, ensuring compliance with relevant permits, certifications, and safety protocols. Our commitment to legal and regulatory compliance underscores our professionalism, reliability, and commitment to ethical business practices, providing our clients with peace of mind and confidence in the quality and integrity of our services.

1.5 Project Location

While headquartered in Kisongo, Arusha, Tanzania Safari Bud Ltd operates across various locations within Tanzania, focusing primarily on renowned national parks such as Nyerere, Ruaha, Serengeti, Ngorongoro Crater, Tarangire, and Manyara. Each destination offers unique wildlife experiences, stunning landscapes, and opportunities for cultural immersion, allowing us to tailor bespoke safari itineraries that cater to the diverse interests and preferences of our clients. With a network of trusted partners and accommodations strategically located throughout Tanzania, we ensure seamless logistics and exceptional experiences for travelers seeking to explore the wonders of this remarkable East African country.

2 Organizational Chart and Role in Company Success

2.1 Organizational Chart

Michael Goodluck Msuya (Founder and CEO): As the visionary leader of Tanzania Safari Bud Ltd, Michael Msuya provides strategic direction, fosters innovation, and ensures the alignment of company goals with its mission and vision. His leadership inspires the team to strive for excellence, adapt to changing market dynamics, and seize opportunities for growth and expansion.

Operations Manager: Responsible for overseeing the day-to-day operations of the company, the Operations Manager plays a pivotal role in ensuring the seamless execution of safari experiences. From itinerary planning to logistics coordination, their efficient management of resources and personnel directly contributes to the satisfaction of our clients and the success of our ventures.

Marketing Manager: Charged with promoting the brand, attracting new customers, and fostering customer loyalty, the Marketing Manager devises and implements marketing strategies that elevate Tanzania Safari Bud Ltd's visibility and reputation in the marketplace. Their efforts drive demand, increase bookings, and ultimately contribute to revenue growth and market share expansion.

Finance Manager: With a keen eye for financial stewardship, the Finance Manager oversees budgeting, financial planning, and risk management to safeguard the company's financial health and sustainability. By ensuring prudent fiscal management and maximizing profitability, they play a crucial role in securing resources for investment, expansion, and long-term viability.

Human Resources Manager: The Human Resources Manager is entrusted with nurturing a positive work culture, recruiting top talent, and facilitating professional development initiatives that empower employees to excel in their roles. Their focus on employee engagement, retention, and performance management fosters a motivated, skilled, and cohesive team that drives the company's success.

Safari Guides: At the heart of our operations, our team of Safari Guides are the ambassadors of Tanzania Safari Bud Ltd, providing immersive, informative, and unforgettable safari experiences for our clients. Their deep knowledge of local ecosystems, wildlife behavior, and cultural heritage enriches the journey, creating lifelong memories and fostering a deep connection with our brand.

Office Administrator: Serving as the linchpin of administrative efficiency, the Office Administrator ensures the smooth functioning of our offices, handling logistical coordination, communications, and administrative tasks with precision and professionalism. Their behind-the-scenes support enables our team to focus on delivering exceptional service and experiences to our clients.

Customer Service Representative: Acting as the frontline interface between the company and its clients, the Customer Service Representative embodies our commitment to customer satisfaction and excellence in service delivery. By addressing inquiries, resolving issues, and cultivating positive relationships, they enhance the overall customer experience and contribute to repeat business and referrals.

Accountant: With meticulous attention to detail, the Accountant manages financial transactions, maintains accurate records, and prepares financial reports that provide insights into the company's financial performance. Their expertise in financial analysis and reporting supports informed decision-making, efficiency improvements, and resource optimization, driving sustainable growth and profitability.

2.2 Role in Company Success

The organizational chart of Tanzania Safari Bud Ltd reflects a cohesive team structure designed to leverage the diverse talents and expertise of its members toward a common goal: delivering exceptional safari experiences that exceed customer expectations and uphold the company's mission and vision. Each role within the organization plays a critical part in driving company success, whether through operational efficiency, strategic marketing, financial stewardship, talent management, or customer-centric service delivery.

By fostering a culture of collaboration, accountability, and continuous improvement, the organizational chart serves as a blueprint for synergy and alignment, enabling Tanzania Safari Bud Ltd to thrive in a competitive marketplace. Through the collective efforts of its dedicated team members, guided by visionary leadership and a shared commitment to excellence, the company is poised to achieve its goals, expand its reach, and leave a lasting legacy of positive impact on Tanzania's tourism industry and the communities it serves.

3 Analysis of the Tanzania Hospitality Industry: Past and Present

3.1 Past Trends

1. **Natural Beauty and Safari Tourism:** Historically, Tanzania has been renowned for its unparalleled natural beauty, including iconic landmarks such as Mount Kilimanjaro and the Serengeti National Park. Safari tourism has been a major draw for international visitors, offering opportunities to witness the "Big Five" and other wildlife in their natural habitats.

2. **Limited Infrastructure:** Despite its natural attractions, Tanzania faced challenges in infrastructure development, particularly in remote areas. Limited road networks, inconsistent electricity supply, and inadequate hospitality facilities hindered the growth of the hospitality industry.

3. **Diverse Cultural Heritage:** Tanzania's rich cultural heritage, encompassing over 120 ethnic groups, provided a unique selling point for the hospitality industry. Cultural tourism, including visits to traditional villages and cultural festivals, offered immersive experiences for tourists.

4. **Government Initiatives:** Past governments in Tanzania recognized the potential of tourism as a key economic driver and implemented initiatives to promote the industry. This included investment in infrastructure development, marketing campaigns, and policies aimed at attracting foreign investment.

3.2 Present Landscape

1. **Growing Tourism Sector:** In recent years, Tanzania's hospitality industry has experienced significant growth, driven by increased international tourism arrivals. The country's diverse offerings, including wildlife safaris, beach resorts in Zanzibar, and cultural tourism, have contributed to this growth.

2. **Infrastructure Improvements:** The Tanzanian government has made efforts to improve infrastructure, including road networks, airports, and utilities, enhancing accessibility to tourist destinations. Investments in hospitality facilities, such as hotels and lodges, have also increased to cater to growing demand.

3. **Digital Transformation:** The advent of technology has revolutionized the hospitality industry in Tanzania. Online booking platforms, digital marketing strategies, and mobile payment systems have streamlined operations and improved customer experiences.

4. **Sustainability and Conservation:** There is a growing emphasis on sustainability and conservation within the hospitality sector. Eco-friendly practices, wildlife conservation efforts, and community-based tourism initiatives are gaining prominence, aligning with global trends towards responsible travel.

3.3 Ongoing Government Facilitation

1. **Policy Reforms:** The Tanzanian government continues to enact policy reforms aimed at attracting investment and promoting tourism growth. This includes measures to streamline visa processes, reduce bureaucratic barriers, and provide incentives for hospitality investments.

2. **Infrastructure Development:** Government-led infrastructure projects, such as the expansion of airports and roads, aim to enhance connectivity and accessibility to tourist destinations. These developments support the growth of the hospitality industry by facilitating travel and tourism activities.

3. **Marketing Campaigns:** The government collaborates with tourism boards and industry stakeholders to launch marketing campaigns promoting Tanzania as a premier tourist destination. These efforts target international markets and showcase the country's unique attractions and experiences.

4. **Community Engagement:** Recognizing the importance of community involvement in sustainable tourism development, the government supports initiatives that empower local

communities and foster their participation in the hospitality industry. This includes capacity building, cultural preservation efforts, and equitable distribution of tourism benefits.

In conclusion, Tanzania's hospitality industry has undergone significant transformation, from its historical reliance on natural attractions to its current status as a growing tourism powerhouse. Government facilitation, combined with industry innovation and sustainable practices, bodes well for the future growth and development of the sector, positioning Tanzania as a leading destination for travelers seeking authentic experiences amidst breathtaking landscapes and vibrant cultures.

4 Competition Analysis

Tanzania Safari Bud Ltd distinguishes itself from competitors in the Tanzanian hospitality industry by offering personalized, tailor-made safari experiences that complement the offerings of traditional safari operators, luxury lodges and resorts, adventure tour companies, cultural tourism organizations, and conservation NGOs.

1. Traditional Safari Operators: Established safari operators in Tanzania offer a wide range of safari packages and experiences, often focusing on specific regions or wildlife reserves. While these operators cater to a broad market, Tanzania Safari Bud Ltd distinguishes itself by offering personalized, tailor-made safaris that prioritize flexibility and customization to meet individual preferences and interests.

2. Luxury Lodges and Resorts: Luxury lodges and resorts in Tanzania provide upscale accommodation and amenities for affluent travelers seeking premium safari experiences. Tanzania Safari Bud Ltd complements these establishments by collaborating with them to offer exclusive safari packages that combine luxurious accommodations with immersive wildlife encounters and cultural experiences, enhancing the overall safari experience for discerning clients.

3. Adventure Tour Companies: Adventure tour companies in Tanzania cater to adrenaline-seeking travelers interested in activities such as mountain climbing, trekking, and water sports. While their focus differs from traditional safari operators, Tanzania Safari Bud Ltd complements their offerings by incorporating adventure elements into its safari itineraries, such as guided hikes, hot air balloon rides, and cultural excursions, providing clients with diverse and exhilarating experiences.

4. Cultural Tourism Organizations: Cultural tourism organizations in Tanzania promote visits to traditional villages, cultural performances, and heritage sites, offering insights into the country's rich cultural diversity. Tanzania Safari Bud Ltd complements these initiatives by integrating cultural experiences into its safari packages, allowing clients to immerse themselves in local traditions, interact with indigenous communities, and gain a deeper appreciation for Tanzania's cultural heritage alongside their wildlife adventures.

5. Conservation NGOs: Conservation NGOs in Tanzania focus on wildlife conservation, habitat protection, and community engagement initiatives to safeguard the country's natural resources and biodiversity. Tanzania Safari Bud Ltd collaborates with these organizations to support conservation efforts through ecotourism practices, sustainable tourism initiatives, and

community-based projects, ensuring that its safari operations contribute to the long-term preservation of Tanzania's ecosystems and wildlife.

By collaborating with these entities and leveraging their strengths, Tanzania Safari Bud Ltd enhances the overall safari experience for clients, providing them with diverse and immersive experiences that showcase the natural beauty, cultural richness, and conservation efforts of Tanzania.

5 Economic Value of Tanzania Safari Bud Ltd Project

The Tanzania Safari Bud Ltd project holds significant economic value, contributing to various aspects of Tanzania's economy and society:

5.1 Economic value

1. **Revenue Generation:** Tanzania Safari Bud Ltd anticipates annual revenues of approximately \$1.5 million within the first three years of operation. This revenue generation contributes directly to the national economy through taxes, fees, and permits, stimulating economic growth and supporting government initiatives in infrastructure development, education, and healthcare.
2. **Employment Opportunities:** The project creates employment opportunities for local communities, with about 10 employees directly employed by Tanzania Safari Bud Ltd and additional indirect employment generated through partnerships with local suppliers, tour guides, and support staff. These jobs provide steady income, skills development, and socioeconomic empowerment, improving livelihoods and reducing unemployment rates.
3. **Tourism Sector Growth:** Tanzania Safari Bug Ltd's operations contribute to the growth and diversification of the tourism sector, one of Tanzania's leading industries. By offering unique safari experiences that showcase the country's natural beauty, wildlife diversity, and cultural heritage, the project attracts international visitors, increases tourist spending, and stimulates demand for hospitality services, transportation, and leisure activities.
4. **Infrastructure Investment:** The project entails investments in infrastructure development, including safari vehicles, offices, and facilities, which stimulate local economies and create opportunities for local businesses in construction, manufacturing, and supply chain management. Additionally, the project may spur further investments in infrastructure improvements, such as roads, airports, and utilities, to support the growing tourism industry.

5.2 Social value and sustainability

1. **Conservation and Sustainability:** Tanzania Safari Bud Ltd's commitment to conservation and sustainability initiatives contributes to the protection of Tanzania's natural resources and biodiversity. By promoting responsible tourism practices, wildlife conservation efforts, and community-based tourism initiatives, the project fosters environmental stewardship, preserves ecosystems, and safeguards Tanzania's ecological heritage for future generations.
2. **Cultural Preservation and Community Development:** The project's integration of cultural experiences and engagement with local communities promotes cultural preservation, social inclusion, and community development. By supporting cultural tourism initiatives, empowering indigenous communities, and facilitating cultural

exchanges, Tanzania Safari Bud Ltd enhances cultural awareness, promotes intercultural dialogue, and fosters social cohesion and mutual respect.

Overall, the Tanzania Safari Bud Ltd project generates significant economic value by driving tourism sector growth, creating employment opportunities, stimulating local economies, promoting conservation and sustainability, preserving cultural heritage, and fostering community development. Through its holistic approach to safari tourism, the project contributes to Tanzania's socioeconomic development, positioning the country as a premier tourist destination and enhancing its global competitiveness in the hospitality industry.

6 Financial Aspect of Tanzania Safari Bud Ltd Project

6.1 Total Investment

The total investment required to launch Tanzania Safari Bud Ltd and sustain its operations over the initial three-year period is estimated at US\$ 187,800. This investment encompasses start-up expenses, capital expenditures for vehicle acquisition and outfitting, marketing initiatives, operational overheads, and contingency reserves. With a well-defined business plan and a commitment to efficiency and innovation, we are confident in our ability to maximize returns on investment and achieve long-term success in the competitive safari tourism market.

6.2 Company Assets and Cash Flows

Tanzania Safari Bud Ltd boasts a robust portfolio of assets to support its operations, including a modern fleet of safari vehicles equipped for comfort, safety, and optimal wildlife viewing. Additionally, we maintain strategically located offices and facilities across Tanzania, including our headquarters in Kisongo, Arusha, ensuring efficient coordination, communication, and logistical support for our clients and staff.

The project financial position is shown in Appendix 2. It depicts that the Owners' equity will grow from US\$ **134,208** in the 1st year to **USD 449,713** at the end of the 5th year of the project's operations.

The project's cash flows are shown in Appendix 3. They show a good liquid position right from the first year. Cash accumulation builds up from US\$ **56,408** in the first year to US\$ **371,913** at the end of the 5th year of the project's operations.

6.3 Project Estimated Revenue and Cost Structure

Based on market analysis and historical data, Tanzania Safari Bud Ltd anticipates annual revenues of approximately \$1.5 million within the first three years of operation. Our revenue streams primarily stem from safari packages, guided tours, accommodation bookings, and ancillary services such as transportation and souvenirs. Our cost structure includes expenses related to staff salaries, vehicle maintenance, marketing, administrative overheads, and conservation efforts. With prudent financial management and strategic pricing, we aim to maintain healthy profit margins while reinvesting in the growth and sustainability. The attached Appendix 1 shows the projected revenue for the 5 years period. The position depicted is that the

project earns profit throughout its life cycle. Accumulated profits after tax grow from. **US\$ 38,908** in the 1st year to **US\$ 429,613** in the 5th year.

6.4 Project Payback Period and Loan Repayment Schedule

Total investment is **US\$ 187,800**, cash accumulation after 3th year is **US\$ 236,969** which is more than the initial investment by **US\$ 49,169**. Therefore project payback Period is 3 years which is favorable short time Payback period. (Appendix 4)

The total loan which will be invested on the project will be **US\$ 110,000** to be repaid within 5 years for the interest rate of 13%. (Appendix 5).

7 Conclusion and request for endorsement

In conclusion, the Tanzania Safari Bud Ltd project not only holds substantial economic value but also aligns closely with government plans and priorities for the development of the tourism sector in Tanzania. Through its innovative approach to safari tourism, emphasis on sustainability, and commitment to community engagement, the project contributes to multiple facets of Tanzania's socioeconomic development agenda.

The project's projected revenues, job creation potential, and contributions to tourism sector growth demonstrate its profitability and potential to generate significant returns on investment. Moreover, by promoting conservation efforts, cultural preservation, and community development, Tanzania Safari Bud Ltd embodies the principles of responsible tourism and sustainable development, which are key priorities for the Tanzanian government.

Given the project's economic viability and alignment with government objectives, it is recommended that Tanzania Safari Bud Ltd be endorsed for the certificate of incentives from the Tanzania Investment Centre (TIC). This endorsement would provide the project with access to incentives such as tax exemptions, duty waivers, and investment facilitation services, further enhancing its competitiveness and ensuring its long-term success in the dynamic and competitive tourism industry landscape.

By supporting Tanzania Safari Bud Ltd's endeavors, the government not only stimulates private sector investment and economic growth but also strengthens Tanzania's position as a leading destination for sustainable tourism, conservation, and cultural immersion. Through strategic partnerships and collaboration between the public and private sectors, Tanzania can harness the full potential of its tourism industry to drive inclusive and sustainable development, benefiting both present and future generations.

In light of these considerations, endorsing Tanzania Safari Bud Ltd for the certificate of incentives from TIC represents a strategic investment in Tanzania's economic prosperity, environmental sustainability, and cultural heritage preservation, paving the way for a vibrant and resilient tourism industry that brings lasting benefits to the nation and its people.

Appendix 1

FORECASTED STATEMENT OF PROFIT & LOSS IN USD							
CURRENCY USD							
	Number of Trucks		Year 1	Year 2	Year 3	Year4	Year 5
Revenue	5	-	428,876	493,208	567,188	652,266	665,028
Operating Cost	5	-	341,493	375,644	413,207	454,526	448,963
Gross profit before depreciation and interest		-	87,383	117,564	153,981	197,740	216,065
Loan Interest @13%			14,300	14,300	14,300	14,300	14,300
Depreciation 10%			17,500	17,500	17,500	17,500	17,500
			31,800	31,800	31,800	31,800	31,800
Gross profit			55,583	85,764	122,181	165,940	184,265
Tax(30%)			16,675	25,729	36,654	49,782	55,280
Profit after tax			38,908	60,035	85,527	116,158	128,986
Accumulated profit			38,908	98,943	184,469	300,627	429,613

Appendix 2

FORECASTED STATEMENT OF FINANCIAL POSITION IN USD

ASSETS	Initial Outlays/ Years	Year 1	Year 2	Year 3	Year4	Year 5
Opening Balance		-	192,500	210,000	227,500	245,000
Total Long-term assets	175,000	175,000	192,500	210,000	227,500	245,000
Less Depreciation		17,500	17,500	17,500	17,500	17,500
Closing Balance		157,500	175,000	192,500	210,000	227,500
Working Capital	12,800	12,800	12,800	12,800	12,800	12,800
Accumulated Cash		56,408	97,643	164,369	261,727	371,913
Total Assets	12,800	226,708	285,443	369,669	484,527	612,213
Financed By						
Equity	77,800	77,800	77,800	77,800	77,800	77,800
Accumulated Profits		56,408	97,643	164,369	261,727	371,913
Total Equity	77,800	134,208	175,443	242,169	339,527	449,713
Bank Loan	110,000	145,200	108,900	72,600	36,300	-
Total Debt	110,000	145,200	108,900	72,600	36,300	-
Total Equity and Debt	187,800	279,408	284,343	314,769	375,827	449,713

Appendix 3

PROJECTED STATEMENT OF CASHFLOW IN USD						
	0	Year 1	Year 2	Year 3	Year4	Year 5
SOURCES:						
Profit after interest and depreciation						
	-	38,908	60,035	85,527	116,158	128,986
Equity		77,800				
Loan		110,000	-36,300	-36,300	-36,300	-36,300
Total Sources		226,708	23,735	49,227	79,858	92,686
Applications:						
Capital expenditure		90,600				
Working Capital & Others		12,800				
Cash	-	38,908	23,735	49,227	79,858	92,686
Depreciation	-	17,500	17,500	17,500	17,500	17,500
Sub total		56,408	41,235	66,727	97,358	110,186
Total Accumulated Cash	0	56,408	97,643	164,369	261,727	371,913

Appendix 4

LOAN REPAYMENT SCHEDULE				
Year	Principle	Loan Interest (13%)	Total Amount Paid	Loan Balance
0	181,500	-	-	181,500
1	22,000	14,300	36,300	145,200
2	22,000	14,300	36,300	108,900
3	22,000	14,300	36,300	72,600
4	22,000	14,300	36,300	36,300
5	22,000	14,300	36,300	0
TOTAL	110,000	71,500	181,500	-

PAYBACK PERIOD CALCULATIONS				
Year	Profit After Tax	Depreciation	Total Cash Flow	Accumulated Cash Flow
1	38,908	17,500	56,408	56,408
2	60,035	17,500	77,535	133,943
3	85,527	17,500	103,027	236,969
4	116,158	17,500	133,658	370,627
5	128,986	17,500	146,486	517,113
TOTAL	429,613	87,500	517,113	-