



MASAILAND
C O F F E E L O D G E

BUSINESS PLAN

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Presented To:
TIC

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EXECUTIVE SUMMARY

This business plan outlines the establishment and operations of a tourist lodge and hotel operating under the esteemed banner of Masailand brands.

LODGE OVERVIEW:

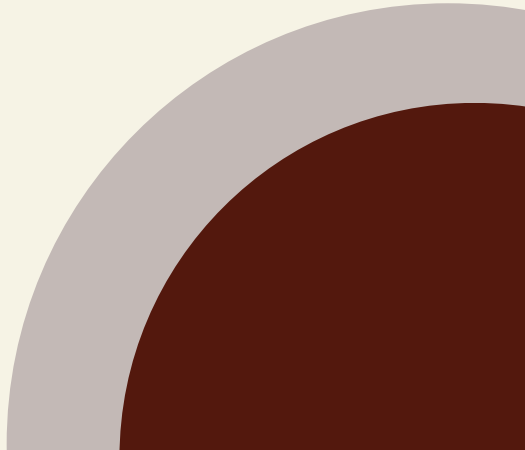
Masailand Coffee Lodge is a newly established tourist hotel and lodge with an eco-setup in Karatu, Tanzania. Positioned as a gateway to Tanzania's renowned safari destinations, it offers a unique blend of luxury and environmental immersion. With its strategic location near attractions like the Ngorongoro Conservation Area and cultural visits to local tribes, Masailand Coffee Lodge aims to cater to both international and local tourists.

UNIQUE SELLING POINTS:

Part of the Masailand Safari and Lodges business, Masailand Coffee Lodge benefits from the established network of its sister company in the tourism industry. By participating in travel markets and events globally, the lodge aims to attract tourists from traditional markets like the USA and Europe, as well as emerging markets such as China and Russia. Additionally, it anticipates tapping into the local market, ensuring a diverse clientele base.

SALES FORECAST:

With an initial capacity of 18 rooms and plans for expansion, Masailand Coffee Lodge estimates a sales forecast of \$702,170 during peak seasons, with projected growth in subsequent years. By leveraging its network and strategic marketing efforts, the lodge aims to achieve sustainable revenue growth.



BUSINESS DESCRIPTION

This section summarizes the lodge's overarching concept, its array of facilities, and its distinct competitive advantages.

MASAILAND LODGE CONCEPT:

Masailand Coffee Lodge offers a unique blend of modern luxury and eco-friendly accommodation, appealing to tourists seeking adventurous experiences while enjoying premium amenities. Its location in Karatu provides easy access to popular safari destinations and cultural attractions, enhancing the overall guest experience.

FACILITIES:

The lodge features essential amenities necessary for a 5-star experience, ensuring guest comfort and satisfaction. Additionally, it benefits from related businesses such as tour activities and excursions, as well as the support of its sister lodge in Arusha City.

COMPETITIVE ADVANTAGE:

As one of the few luxurious eco-lodges in Karatu, Masailand Coffee Lodge stands out with its tailored hospitality services and environmental consciousness. By focusing on delivering exceptional guest experiences, the lodge aims to maintain a competitive edge in the market.

MARKET ANALYSIS:

Capturing Trends, Target Demographics, and Competitive Landscape

MARKET TRENDS:

Tourists, especially from western countries, prefer eco-lodges with adventurous setups, offering privacy and a connection to nature. Masailand Coffee Lodge capitalizes on this trend by providing a unique blend of luxury and environmental immersion.

TARGET MARKETS:

The lodge targets traditional markets from western countries, as well as emerging markets like China and Russia. With strategic marketing efforts, it aims to capture a diverse range of tourists, including local visitors.

COMPETITION ANALYSIS:

While facing limited competition in Karatu, Masailand Coffee Lodge focuses on delivering superior service and building a strong reputation to attract guests, especially during high seasons when lodges are in high demand.

POTENTIAL GROWTH OPPORTUNITIES:

With the tourism industry in Tanzania experiencing growth, Masailand Coffee Lodge is well-positioned to capitalize on the increasing number of tourists visiting the Northern circuit. By offering exciting day activities and value-added services, the lodge anticipates continuous growth in the future.

MARKETING AND SALES STRATEGY:

Engaging Audiences, Amplifying Reach, and Driving Business

STRATEGY OVERVIEW:


The lodge employs a comprehensive marketing strategy, including participation in travel events, online marketing, advertising, and partnerships with travel agents and tour operators. By maintaining a strong online presence and leveraging tourism platforms, Masailand Coffee Lodge aims to attract guests and maximize occupancy rates.

PROMOTIONAL ACTIVITIES:

To promote the lodge, Masailand Coffee Lodge conducts familiarization trips for potential agents and tour operators during low seasons. Additionally, it invests in paid advertising and sponsored content across various online and offline platforms to reach its target audience effectively.

PARTNERSHIPS:

Existing partnerships with travel agents and tour operators drive demand for Masailand Coffee Lodge, facilitating business growth and ensuring a steady stream of bookings.

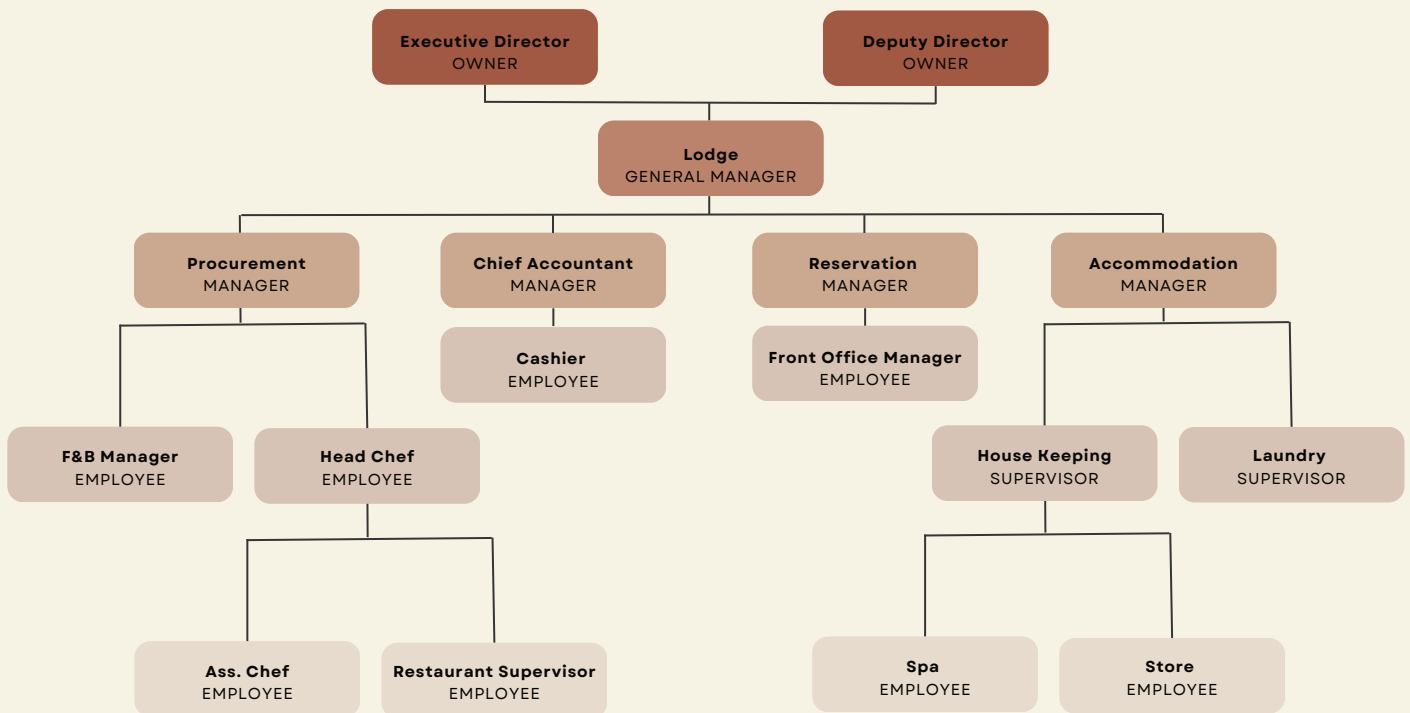


THE ORGANIZATION

MANAGEMENT STRUCTURE:

The lodge's day-to-day operations are overseen by a dedicated management team comprising various roles such as Lodge Manager, Food and Beverage Manager, Chief Accountant, Procurement Manager, Reservation Manager, Housekeeping, and Laundry Manager, Maintenance Manager, Security Manager, and Sales and Marketing Manager. The board of directors provides governance and strategic direction to the business.

ORGANIZATION CHART



FINANCIAL PLAN

Below is a summarized financial statement for Masailand Coffee Lodge:

START UP COSTS / INVESTMENT VALUE

The owners of Masailand Coffee Lodge have made a significant investment to establish this premier tourist destination, which promises to be a catalyst for economic growth. With a startup capital totaling \$765,000, encompassing constructions, inventories, equipment, legal fees, marketing expenses, and management costs, this venture demonstrates a commitment to enhancing the tourism sector and contributing to the nation's economy. This investment is poised to generate sustainable income, thereby supporting tax contributions, providing employment opportunities for a minimum of 50 individuals, and ultimately adding substantial value to Tanzania's vibrant tourism landscape.

AREAS OF INVESTMENT	VALUE
Constructions & Renovations	\$360,000
Lodge Inventories	\$160,000
Equipment & Amenities	\$130,000
Legal Fees	\$15,000
Marketing Expenses	\$65,000
Management Costs	\$35,000
Total Investment	\$765,000

REVENUE STREAMS

The business model of Masailand Coffee Lodge encompasses four distinct revenue streams, delineated by room types, pricing structures, and occupancy durations spanning both high and peak business seasons.

Revenue Stream - Category I

Travel Agencies Direct Bookings

Source	Rate	Units	Days	Income
Family Rooms	\$240	4	165	\$158,400
Executive Rooms	\$180	7	165	\$207,900
Standard Rooms	\$120	7	165	\$138,600
Sub Total				\$505,900

Revenue Stream - Category II

In-house Bookings by Masailand Operations

Source	Rate	Units	Days	Income
Family Rooms	\$150	4	40	\$24,000
Executive Rooms	\$100	7	40	\$28,000
Standard Rooms	\$50	7	40	\$14,000
Sub Total				\$66,000

Revenue Stream - Category III

Local Operators and DMCs

Source	Rate	Units	Days	Income
Family Rooms	\$168	4	55	\$36,960
Executive Rooms	\$126	7	55	\$48,930
Standard Rooms	\$84	7	55	\$32,760
Sub Total				\$118,650

Revenue Stream - Category IV

Domestic Bookings

Source	Rate	Units	Days	Income
Family Rooms	\$75	4	14	\$4,200
Executive Rooms	\$45	7	14	\$4,410
Standard Rooms	\$35	7	14	\$3,010
Sub Total				\$11,620


Total Revenue for Year 1 = **\$702,170**

YEAR 2 AND YEAR 3 REVENUE

In a nutshell

POTENTIAL GROWTH

Following the initial investment in marketing and promotional activities, the clientele of Masailand Coffee Lodge will serve as ambassadors, spreading positive word-of-mouth recommendations. Ensuring that these recommendations are consistently positive, reaching a satisfaction rate of 100%, becomes our paramount objective to drive increased patronage and foster repeat business. Furthermore, through strategic renovations and value-added enhancements, the lodge will be positioned to implement slight price increases, reflecting the enhanced guest experience and added value.



Year 2

Apply a 12% increase to room prices for all revenue streams

Total Revenue for Year 2
= \$795,682.80

Year 3

Apply a 20% increase to room prices for all revenue streams

EXPENSES

The operation of a lodge encompasses four key expense categories, namely salaries (payroll), operational costs including administration, marketing and promotions, and maintenance/upgrading along with utilities. These areas constitute essential expenditures, each estimated as a percentage of total income.

Description	Estimates in %
Salaries	8%
Running Costs and Administration	15%
Marketing Expenses	20%
Upgrading and Utilities	5%
Total Expenses	48%



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