

SERENGETI 360
LUXURY CAMP

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BUSINESS PLAN

Prepared for
Tanzania National Parks



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1. INTRODUCTION

1.1 Executive Summary

Serengeti Luxury Camp is a foreigner investor-owned luxury camp that is well positioned to serve mid to high level clients from all over the world. Serengeti Luxury Camp will provide a combination of wilderness experience and varieties of food cuisines at affordable and valuable prices.

1.2 Background

Adventures Aloft (T) Ltd is a foreigner investment company which part of Mada Hotels Group. Mada Hotels has main office in Nairobi Kenya and Mada Hotels has invested in Kenya, Tanzania and Uganda. Mada Hotels start investing in Tanzania from 2010 under name of Adventures Aloft (T) Ltd. We have invested in Tarangire National Park is Balloon camp with 16 luxury tents and Hot air Balloon safari. In year 2013 we have invested in Serengeti National Park for Hot air Balloon safari and year 2019 we have invested in Ngorongoro Conservation Area Authority for Hot air Balloon safari.

Our company that has a portfolio with several businesses, all aimed at improving the lives of Tanzanian citizens and residents in Tanzania and the East African region at large. We have been in operations since 2011 in Tanzania, and is growing in market share accordingly.

1.2.1 Objective

- To execute projects to specifications and standards.
- To bring quality first in materials and workmanship while following the Quality Management System in accordance to ISO standards.

1.2.2 Mission

Understanding and meeting our customers' needs, we become your dependable and reliable partner by maintaining high standards and reputation

1.2.3 Vision

Providing high quality and cost-effective products and services to all of our clients living up to highest industry standards through technology and prioritizing safe work procedures

1.2.4 Core Values

- Integrity
- Passion
- Purpose

1.3 The Business

Adventures Aloft proposes a luxury camp to be constructed at TOGORO area in Serengeti National Park. This is an ideal location because it complies with TANAPA site selection criteria. Experience shows that the type of proposed development will not have significant adverse environmental impacts to the park. This location has beautiful landscape and vegetation, which make it appropriate for the proposed facility.

Adventures aloft 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 facility will be offering a high-quality service in an amazing environment that offers diverse wilderness experience. The facility is aimed at satisfying the needs of mid to high end visitors in Serengeti National Park

1.3.1 Our Products and Services

Serengeti Luxury camp will offer customers 25 tents units, fully-equipped kitchens, laundry facilities, swimming pool, bar dining area, fireplace and stones. On adding its value Serengeti Luxury camp will offer a common-area outdoor Live performance. The following are the main products and services which will be offered on-site:

- Accommodation
- Meals
- Beverages
- Massage & Spa
- Gift shop
- Laundry
- Game drive

1.3.2 Human Resource

Lodge Operations team rotation will be mostly guided and determined by Business Circle which is High Season and Low Season, In high season employees will be fully occupied where as in low season number of employees will be reduced to match with the business operations requirements.

The employment base will be for contract employees and temporary employees.

S/N	CATEGORY		POSITION	QUANTITY
1	Management	1	Camp Manager	1
		2	Assistant Camp Manager	1
		3	Accountant	1
2	Front Office	1	Front Office Manager	1
		2	Receptionist	2
3	Food & Beverages	1	Head Chef	1
		2	Cooks	4
		3	Dishwasher	2
		4	Storekeeper	1
		5	Barman	1
		6	Waiter	3
		7	Waitress	3
4	Massage & Spa	1	Attendants	2
5	House Keeping	1	House keeper	1

S/N	CATEGORY		POSITION	QUANTITY
		2	Room Stewardess	4
		3	Laundry	2
6	Security	1	Security Control Room	1
		2	Camp Security	8
7	Garden	1	Head Gardener	1
		2	Gardeners	2
8	Maintenance	1	Head maintenance	1
		2	Assistant maintenance	1
9	Driver	1	Head Driver	1
		2	Driver Guides	3
			Total	48

14 SWOT Analysis

<p>1. Strength</p> <ul style="list-style-type: none"> • Financial stability • Professional team & Expertise • Ideal business location <p>3. Opportunity</p> <ul style="list-style-type: none"> • Ready market attraction • Growth and Expansion 	<p>2. Weakness</p> <ul style="list-style-type: none"> • Expensive • High Taxes <p>4. Threats</p> <ul style="list-style-type: none"> • Cut Throat competition • Corona adverse effects • Unfavourable Weather
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2. MARKET ANALYSIS

2.1 Market size and trends

Currently Serengeti National Park has a maximum capacity of 1,256 beds of permanent accommodation facilities, which include Camps and tented camps. The six existing lodges in the Serengeti have maximum capacity of 824 beds and thirteen permanent tented camps with maximum bed capacity of 432 beds. The existing permanent tented beds camps have an annual average occupancy rate ranging between 55% and 70%.

Table 1 and figure 1 show number and trend of tourists visiting Serengeti National Park each year

YEAR	NON-RESIDENT	RESIDENT	TOTAL
2005/06	127,682	115,648	243,330
2006/07	133,948	131,932	265,880
2007/08	146,677	144,011	290,688
2008/09	128,552	133,570	262,122
2009/10	135,266	142,829	278,095
2011/12	202,743	160,321	313,621
2012/13	205,206	85,971	336,177
2013/14	187,288	200,277	387,565
2014/15	175,749	198,515	374,675
2015/16	183,093	208,582	391,675
2016/17	217,073	139,076	356,149
2017/18	244,315	156,419	400,734

Source: Tanzania National Parks

2.2 Market Demand

A market study was conducted to find out the general structure of the 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 projects viability.

2.3 Target Market

Serengeti Luxury Camp targets mid to high level visitors with the following Characteristics

- Age - Youngsters to Old age, single, married, currently past college age
- Family unit - We highly appeal to families (young families) with children
- Gender - We will target both sexes. With a slight skew for males due to their higher attention to wildlife concerns
- Income - We will appeal to the medium income individuals and to all in the high-income bracket
- Psychographics: people with high aspirations and high values to nature and wildlife at large

According to a research survey (Eagles & Wade. 2006). Tourism in Tanzania, the following Behavioural traits were noticed,

- People have three long holidays a year most people around the world love to travel to Africa-mostly to Tanzania and to the Serengeti National Park to come see the 7 wildlife wonders and as they do, they will need a place to rest, eat and sleep.
- People come in small to large groups This can be from 6 people to maximum 20 people per group This means that Expenses and shared among individuals and all gain the benefits.
- Families travel at least once per year-out of their countries and a bit far for vacations. One of the first choices is Safaris. and Game Therefore, this makes the Families a great Target market.

2.4 Our competitive advantage

- Unique and appealing ambience
- Enthusiastic and friendly staff
- Innovative-way
- Create authentic relationships through guest feedback

2.5 Sales and marketing strategies.

2.5.1 Marketing Programs

We will deploy three different marketing tactics to increase customer awareness of Serengeti Luxury Camp. Our most important tactic 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 second tactic will be local store marketing these will be low-budget plans that will provide community support and awareness of our facility. The last marketing effort will be utilizing local media. Although, this will be the costliest this tactic will be used sparingly as a supplement where necessary

In-Store Marketing

- In-store brochures containing our concept and philosophy. -at our town offices.
- Wall posters.
- Design concept.
- Outdoor signage .
- Grand opening promotion

Local Store Marketing

- Brochures/Fliers
- Company profiles
- Free occasional t-shirts and other promotional give a ways

Local & social media

- Direct mail piece — containing brochures sent to surrounding addresses
- Web page — containing company philosophy, history and news
- Local magazines that target our core customers, such as Free! Magazine.
- Newspaper campaign — placing several large ads throughout the month to explain
- Social pages on Facebooks, Instagram and twitter among others

2.5.2 Sales strategy

The sales strategy is to build and open new locations in order to increase revenue. However, this plan will be implemented when the one "market tester" outlet showed potential growth. As each individual Lodge location will continue to build its clientele base over the first three years of operation.

2.6 Milestones

Milestone	Start date	End date	Budget	Incharge	Department
Presentation of DP and Business Plan	20/10/2024	20/11/2024	Tbc	Bhaskar	Finance & proc
Presentation of Architectural Designs & Interiors	20/10/2025	20/11/2024	NA		Designer
Presentation of Environmental Impact Approval	01/11/2024	31/01/2025		Consultant	
Follow up with suppliers	01/02/2025	28/02/2025	Tbc	Ranjit Singh	Operation
Follow up with Developers	01/02/2025	28/02/2025	Tbc		Construction
Marketing communication program	01/03/2025	31/08/2025	Tbc	Peter	Marketing
Constructions	01/04/2025	30/05/2026	Tbc		Construction
Interiors, Fixtures and Fittings	01/12/2025	30/06/2026	Tbc		Interiors
Stocking	01/05/2026	30/06/2026	Tbc	Tba	Food & Beverage
Hiring Staff	01/05/2026	30/06/2026	Tbc	Mr. Mathias	HRM
Training Staff	01/05/2026	30/06/2026	Tbc	Tba	Tba
Grand Opening	01/07/2026	01/06/2026	Tbc	Tba	Tba

3. FINANCIAL ANALYSIS

3.1 Source Financing

There shall be two sources of financing

- (i) Owner's Equity-50% of total investment
- (ii) Bank Loan-50% of total investment

3.2 Loan Repayment and Interest Schedule

Year	Interest	Principle	Total	Balance
2026	\$ 96,774.63	\$ 259,646.94	\$ 356,421.57	\$1,240,353.06
2027	\$ 78,004.73	\$ 278,416.84	\$ 356,421.57	\$ 961,936.22
2028	\$ 57,877.96	\$ 298,543.62	\$ 356,421.57	\$ 663,392.60
2029	\$ 36,296.22	\$ 320,125.36	\$ 356,421.57	\$ 343,267.25
2030	\$ 13,154.33	\$ 343,267.25	\$ 356,421.57	\$ -
	\$282,107.87	\$1,500,000.00	\$1,782,107.87	



3.3 Cash Flow Projections

PROJECTED CASH FLOW										
(Amt In US Dollars)										
CASH IN FLOW	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
OPENING BALANCE	-	219,748	555,520	1,048,287	1,847,580	2,758,203	3,678,034	4,641,082	5,679,758	6,739,094
INCOME	1,536,300	1,728,338	2,218,033	2,218,033	2,540,656	2,540,656	2,667,689	2,889,996	3,034,496	3,034,496
DIRECTORS CONTRIBUTION										
TOTAL CASH INFLOW	1,536,300	1,948,085	2,773,553	3,266,320	4,388,236	5,298,859	6,345,723	7,531,078	8,714,255	9,773,590
CASH OUTFLOW										
DIRECT EXPENSES	460,890	518,501	665,410	665,410	762,197	762,197	800,307	866,999	910,349	910,349
PERSONNEL EXPENSES	184,356	207,401	266,164	266,164	304,879	304,879	320,123	346,800	364,140	364,140
ADMINISTRATIVE EXP.	89,105	100,244	128,646	128,646	147,358	147,358	154,726	167,620	176,001	176,001
FINANCIAL CHARGES	98,311	79,733	60,096	38,514	15,695	2,541	2,668	2,890	3,034	3,034
SELLING AND DISTRIBUTION EXP	53,771	60,492	77,631	77,631	88,923	88,923	93,369	101,150	106,207	106,207
ADDITION TO FIXED ASSETS	-	-	-	-	-	-	-	-	-	-
TAXATION	170,473	147,778	228,776	242,375	310,981	314,928	333,449	365,861	415,430	415,430
REPAYMENT OF LOAN	259,647	278,417	298,544	320,125	343,267			-	-	-
TOTAL CASH OUTFLOW	1,316,552	1,392,565	1,725,266	1,738,866	1,973,300	1,620,825	1,704,641	1,851,320	1,975,161	1,975,161
SURPLUS /(DEFICIT)	219,748	555,520	1,048,287	1,527,454	2,094,810	3,014,641	3,977,689	5,016,366	6,075,701	7,135,037



3.4 Factors used to project Cash Flow

- (i) Tanzania inflation will not exceed current rate of 5%
- (ii) Global economy will stabilize and there will be no major natural disasters, political and social unrest that may have significant adverse impact on tourism growth in Tanzania.
- (iii) Number of Tourist visiting Serengeti National Park will continue to grow.
- (iv) Tanzania will maintain its competitiveness. Environmental sustainability and cultural tourism.
- (v) There will be political stability in the East Africa region

3.5 Sales Forecast

Sales have been forecasted as per seasons of business which is High Season (HS) (July-Nov; USD 350/Pax Rack rate), and Low Season (LS) (Dec-June. USD 150/Pax Rack rate).

Our occupancy rate for 25 tents will start with 40% of coverage with an increase of 5% for 1 st 5 Years of operations then will remain constant at 65% from year 8 to year 10

Serengeti project's revenues										
(Amt in USD)										
YEAR	1	2	3	4	5	6	7	8	9	10
OCCUPANCY RATE	40%	45%	55%	55%	60%	60%	60%	65%	65%	65%
Rooms Available per Day	25	25	25	25	25	25	25	25	25	25
Accommodation sales/ Day	22,500	22,500	23,625	23,625	24,806	24,806	26,047	26,047	27,349	27,349
Total Revenue / Day	22,500	22,500	23,625	23,625	24,806	24,806	26,047	26,047	27,349	27,349
Revenue PA	1,536,300	1,728,338	2,218,033	2,218,033	2,540,656	2,540,656	2,667,689	2,889,996	3,034,496	3,034,496

3.6 Pricing Strategy

(i) Occupancy based pricing

Occupancy based pricing strategy is the best way if you want to increase room revenue. You can set the hotel room rates depending on off-season / high season based on the demand and supply proposition. Whenever there is a demand, you can increase your room rates for more business ROI. Other seasons, you can lower the room rates to fill your rooms and gain profit even in the off-seasons.

(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 upcoming demand or expected 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 corporates 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 basing on the length of guests stay. The length of stay ideally depends on the number of night packages you're 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 length. This strategy will be much applicable during festivals and vacations

3.7 Payment Options

Payments would be made through the following means;

- (i) Cash
- (ii) Credit cards
- (iii) Cheque
- (iv) Online Transfer
- (v) DPO

4. BUDGET ANALYSIS

4.1 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.

CATEGORY	AMOUNT	STAGES
Construction (Buildings and Structures)	Tshs ('000)	Pre-Luminaries Preambles Reception Building Short camp blocks Executive Suites Service block Honey Mooners Dining Long camp block Waste Management UNI Restaurant & Bar Outdoor Dining Swimming pool Consultancy fees

CATEGORY	AMOUNT	STAGES
Construction (Services)	Tshs ('000)	Restaurant & Bar Reception Building Executive Building Kitchen, Service Block Power Supply Plumbing
Asset Installations		Crockeries Reception Bar & Restaurant Bedroom
Inventory Cost		First Supply inventory
TOTAL		



4.2 Operational Budget

Operational budget for the first year of investment 2024 have been captured above on part 4.1 No. 4

(Amt in US Dollars)										
PARTICULARS	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
INCOME	1,536,300	1,728,338	2,218,033	2,218,033	2,540,656	2,540,656	2,667,689	2,889,996	3,034,496	3,034,496
TOTAL INCOME	1,536,300	1,728,338	2,218,033	2,218,033	2,540,656	2,540,656	2,667,689	2,889,996	3,034,496	3,034,496
LESS:										
DIRECT EXPENSES	460,890	518,501	665,410	665,410	762,197	762,197	800,307	866,999	910,349	910,349
PERSONNEL EXP.	184,356	207,401	266,164	266,164	304,879	304,879	320,123	346,800	364,140	364,140
OPERATING EXP	89,105	100,244	128,646	128,646	147,358	147,358	154,726	167,620	176,001	176,001
SELLING AND DISTRIBUTION	53,771	60,492	77,631	77,631	88,923	88,923	93,369	101,150	106,207	106,207
BANK CHARGES	1,536	1,728	2,218	2,218	2,541	2,541	2,668	2,890	3,034	3,034
Total Operational Budget	789,658	888,365	1,140,069	1,140,069	1,305,897	1,305,897	1,371,192	1,485,458	1,559,731	1,559,731

4.3 Income Statement

Income Statement Projection for 10 years of Operations (The Figures are in USD)

(AINCOME STATEMENT										
YEAR	1	2	3	4	5	6	7	8	9	10
Sales Revenues	1,536,300	1,728,338	2,218,033	2,218,033	2,540,656	2,540,656	2,667,689	2,889,996	3,034,496	3,034,496
Operating & other Costs	886,433	966,370	1,197,947	1,176,365	1,319,052	1,305,897	1,371,192	1,485,458	1,559,731	1,559,731
Net Profit	649,867	761,967	1,020,086	1,041,668	1,221,605	1,234,759	1,296,497	1,404,538	1,474,765	1,474,765
NP %	42%	44%	46%	47%	48%	49%	49%	49%	49%	49%
Depreciation	269,375	269,375	257,500	233,750	185,000	185,000	185,000	185,000	90,000	90,000
Profit Before Tax	380,492	492,592	762,586	807,918	1,036,605	1,049,759	1,111,497	1,219,538	1,384,765	1,384,765
Tax (30%)	114,148	147,778	228,776	242,375	310,981	314,928	333,449	365,861	415,430	415,430
Profit After Tax	266,345	344,815	533,810	565,543	725,623	734,831	778,048	853,677	969,336	969,336
Depreciation	269,375	269,375	257,500	233,750	185,000	185,000	185,000	185,000	90,000	90,000
Net Profit	535,720	614,190	791,310	799,293	910,623	919,831	963,048	1,038,677	1,059,336	1,059,336

5. CAPITAL INVESTMENT

5.1 Capital Investment schedule - Serengeti Project

Particulars	US\$
Tents, Bandas & Structures	1,800,000
Computer & office equipment	95,000
Crockery, Cutlery and other plant equipment	380,000
Furniture & Fixtures	380,000
Vehicles	195,000
Sub Total	2,850,000
5% Contingency fund	142,500
Grand Total	2,992,500

5.2 Depreciation Schedule - Appendix I:

YEAR	Tents, Bandas & Structures @ 5%	Computer & office equipment @ 37.5%	Crockery, Cutlery and other plant equipment @ 12.5%	Furniture & Fixtures @ 12.5%	Vehicles @ 25%	Total
1	90,000	35,625	47,500	47,500	48,750	269,375
2	90,000	35,625	47,500	47,500	48,750	269,375
3	90,000	23,750	47,500	47,500	48,750	257,500
4	90,000	-	47,500	47,500	48,750	233,750
5	90,000	-	47,500	47,500	-	185,000
6	90,000	-	47,500	47,500	-	185,000
7	90,000	-	47,500	47,500	-	185,000
8	90,000	-	47,500	47,500	-	185,000
9	90,000	-	-	-	-	90,000
10	90,000	-	-	-	-	90,000

5.3 Project Financing

This project will be financed in two ways as follows
(The Figures are in USD)

S/N	SOURCE OF FINANCING	%	AMOUNT
1	Bank Loan	50	1,496,250
2	Owners' Equity	50	1,496,250
	Total		2,992,500

5.4

Payback Period

(Amt in
USD)

YEAR	NETFLOW	CUMMULATIVE FLOW
1	535,720	535,720
2	614,190	1,149,909
3	791,310	1,941,219
4	799,293	2,740,512
5	910,623	3,651,135
6	919,831	4,570,966
7	963,048	5,534,014
8	1,038,677	6,572,691
9	1,059,336	7,632,026
10	1,059,336	8,691,362

Initial investment 2,992,500

Payback period =

Years 4

Months 3.3 51

= 4years +3 months

Thus, the payback period for the proposed project will be fifty one (51) months.