

BUSINESS AND MARKETING PLAN

Ashmore Farm

Shalstone, Buckingham, MK18 5NA

CANOPY
& STARS

Business Proposal

July 2023

Business proposal for outdoor tourist accommodation at Ashmore Farm as part of a farm diversification project.

The proposal is to develop high quality glamping accommodation comprising of two bespoke fully self catered cabins. One cabin will be targeting couples only and offer an exclusive stay set in the farm woodland in the confines of a warm, beautiful, and well detailed cabin with vaulted ceilings, a log burner and outdoor bathing.

The second cabin will target 2+2 people through a luxurious and spacious design with views over ancient woodland next to a small lake offering a unique experience to guests with extensive outdoor space and large glazed openings creating natural light and tapping into the extensive views.

The cabins will compliment and diversify the farm income and enable guests to enjoy the natural beauty and the surrounding area.

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Glamping industry overview

The definition broadens, the potential explodes

The glamping and outdoor holiday market has grown exponentially over the past decade, with the UK leading the way. While domestic holidays may have received the boost of the pandemic's restrictions, the increased interest in glamping that ensued is not temporary. Wider consumer concern about the climate crisis, a focus on natural wellness, the rise of Instagram and an experience economy that shows no sign of waning mean that glamping is, and will continue to be, big business.

Space type popularity

As the glamping market matures and develops, it's seeing a dramatic shift away from its origins in bell tents, yurts and geodomes to more substantial, year-round spaces. Treehouses have been the market leader when it comes to glamping revenue but in recent years, cabins have seen a rise in popularity and demand. According to the Crown & Canopy market report, in 2019/2020 cabins made up 2.47% of the UK glamping market, but this rose to 10.85% in 2021/2022. This was comfortably the largest increase of any space type.

Consumer behaviour

Recessions always change consumer behaviour, but travel is traditionally an area in which people preserve spending in some form. The last recession led to people taking shorter breaks and travelling more domestically. With financial pressure sitting alongside environmental concerns, the cost-of-living crisis and the lingering effects of the pandemic, this is set to be the pattern of the next couple of years as well. A recent surge in travel abroad has still not returned it to 2019 levels.

The switch from foreign to domestic travel in the last recession was initially driven by families, but the wider market soon followed. With increasing costs making European travel less attractive, experience-led messaging will be key to drawing in guests. People need to be shown how a UK break can replace travel abroad.

Overview Staycation Industry in the UK

Current situation

Lockdown and subsequent nervousness around travel gave a huge boost to domestic tourism, this was coupled with a wider consumer trend towards nature connection and holidays in the outdoors. Despite the lockdown period, 2021 was a bumper year for the UK tourism industry and the glamping sector with massive booking peaks coinciding with the easing of restrictions. This year has seen a return to a booking pattern, closer to pre-pandemic levels, but demand remains strong.

Leading glamping agency C&S have recorded a 180% revenue increase since 2017, doubling in the period from 2019 to 2022. As of October 2022, the number of forward bookings for 2023 has doubled when compared with the same time in 2019, the last 'normal' year.

Stable Market

Leading agency Sykes have reported in their 2023 Outlook Report that despite the lifting of all travel restrictions that were put in place during the pandemic, the holiday-let market remains highly active with increasing numbers choosing to holiday in the UK. They report that bookings for their UK holiday lets were up 48% in 2022 versus 2019 and bookings made year to date for 2023 are up a further 9% versus the same point in 2022.

In 2021 Sykes commissioned an Oxford Economics independent quantitative analysis to understand the sector's true impact– from the spending of tourists to the job opportunities created. It reported that the short term rental industry contributed £27.7 billion to UK GDP, equivalent to 1.4% of UK GDP.

Structure Type

Sykes report that the most popular property types amongst new Sykes owners in 2022 were holiday cabins up 155% YoY, huts, pods and yurts up 116% YoY and then farm stays up 42% YoY.

Canopy & Stars 2023 Glamping Market reports a dramatic shift away from its origins in bell tents and yurts to more substantial, year-round spaces. Treehouses have always been the market leader when it comes to glamping revenue but in recent years cabins have seen a rise in popularity and demand. Their revenue statistics show that more permanent structures are the highest performers. In 2019, cabins contributed 36% of revenue, increasing to 43% in 2022, with treehouse revenue going from 21% to 24% over the same period, while safari tents dropped from 6% to 3% over that period.

Facts & figures

More people (25%) opted for a countryside break this year compared with 2019

ABTA Holiday Habits 2022

Global glamping market size reached USD 2.35 billion in 2021 and is anticipated to grow at a compound annual growth rate (CAGR) of 10.9% from 2022 to 2030

Grandview research & consulting

Glamping market in Europe expected to grow by revenue at over 11% from 2019-2025

Arizton, market research

The Business Case

The market for glamping holidays in Buckinghamshire is relatively young. The majority of spaces currently on offer are more generic mid-market spaces such as pods and canvas options. There is a gap in the market for luxury high end spaces set in stunning locations that would be able to attract guests from further afield. Research has shown that across the UK, people are now willing to travel further for the right kind of experience and space.

To give a picture of the available markets, Canopy and Stars (C&S) have around 120,000 unique location searches each year from both Bristol and Birmingham, and over 1.1 million from London. These are the three largest glamping markets in the UK, and all are easily accessible for short weekend breaks and longer holidays. In 2022 C&S recorded over 2900 unique searches for glamping holidays in the county, and with just 3 spaces on the books, there is demand for new and unique offerings here.

C&S currently represent just 3 spaces at one site in Buckinghamshire, the Chiltern Yurt Retreat. These are a yurt, a tabernacle, and a cabin.

The Canopy & Stars 'two hours from London' collection is currently the 8th most searched collection on the website. In 2023 to date, it has been selected 6560 times, an increase of 50.0% on the same time period in 2022.

The majority of C&S audience come from London. In 2022, 1,123,000 users of our website were based in London. This was up 16.8% on 2021. From research we have found that the majority of guests travel between 2-3 hours to reach their stay making Buckinghamshire within the target area.

Key strengths

- Beautiful setting with far reaching views
- Stunning woodland (much is Ancient Woodland but still scope for development nearby)
- National Trust Stowe Estate nearby - circa 2 miles
- Silverstone is circa 5.5 miles
- Cotswolds and Chiltern Hills AONB nearby
- Mains water all over the farm and various access points
- Footpath skirts the edge of farm
- Footpath provides access to local village and farm shop - circa 0.9 miles (Boycott)
- Brackley and Buckingham circa 5 miles from site
- Train links in Bicester and bus links within 1.5 miles
- Closest pub is the Queens Head in Chatmore a 20 minute walk away via footpath , there are also pubs at nearby Finmere and Tingewick



Staffing and Resource Requirements

Resource Requirement

- The site will be managed by the farm owners who will share the responsibilities of hosting, administer the bookings and cover customer liaison before, during and after the visits
- A member of staff will be recruited and trained for a part time role to provide a reliable service for changeovers and cleaning for the accommodation
- The marketing agent will administer all the bookings in Year 1 and subsequently, all bookings going forwards created by the agency
- In addition to agency bookings, the chosen listing company will administer all the bookings they generate in Year 2 onwards via a synced booking system with our website where we will also monitor ongoing bookings
- The cleaning staff will also have access to the shared calendar aso they are informed of all bookings on a regular basis
- Guests will access the site by car and then the cabins by foot. There is adequate surfacing for cars and then footpaths will be installed to cover the short distance to each unit.
- The cabins will be run on a domestic power source and mains water will run to each unit.

Staffing

Management

Farm owners Adam and Helen Webb will manage and oversee the business but employ cleaners to undertake the day to day changeovers.

Cleaning and changeovers

The operation will create a new employment position for circa 15 hrs per week.

This calculation is based upon 2-3 changeovers per week per unit per week. 2- units = 0.5 FTE's. This role involves changeovers, cleaning, re-stocking, and all laundry services for the holiday lets.

Maintenance

We will employ local tradesmen to undertake the yearly maintenance, which will include redecoration, repairs and servicing.

Marketing Strategy

The Location

There is much to draw upon when it comes to marketing the cabins and this will create a unique appeal to customers and provide numerous opportunities and avenues to generate bookings.

The proximity to the Cotswolds and Chiltern Hills AONB is a major national selling point along with Silverstone Race track close by running year round events and historical and cultural assets such as nearby National Trust Properties.

On site, guests will have access to the beautiful ancient woodland as well as access to public footpaths for longer walks and numerous pubs within walking distance.

The farms is well located to tap into the London market as well as Oxford and nearby Buckingham allowing guests to access via train as well as vehicle from these market hot spots.

Letting Arrangements

In the first year of trading we intend to rent out the cabins solely through the booking agent Canopy & Stars C&S. They will take care of all marketing and booking management for this period allowing us to take bookings as soon as the cabins are built. In year 2 we will begin to market the retreats through multiple sources such as listing companies, social media and local outlets such as tourist information centres and tourism based businesses in the local area.

In the first year of trading we have set a baseline occupancy rate of 70%, sole agency bookings then fall by 5% in the second year due to the product having received its strongest year while the product is new to market. In year 2 we have also factored in independently marketing the spaces alongside the agency via listing companies and other sources. A website and booking engine will be established to support the independent bookings.

We expect this to start out slowly at 10% in the early years with a following 5% growth in year 4. We then expect this rate to plateau out at 15% for the following years. However, there is a further opportunity to invest more capital in independent bookings to increase this rate over time.

The projected occupancy is based on specialist advice and agency data and consumer behavior provided by industry specialists Canopy and Stars and Crown and Canopy. We have also identified in our market research a gap in the market for year-round high-end glamping accommodation in Buckinghamshire and surrounding area.

Marketing Budget

Items	Annual cost for both units
Website creation	£2000
Photography	£800
Marketing agency	22% of sales generated
Listing companies	£1,200 per year for both cabins
Booking system on website	1-2% of direct sales generated

Costs over five years

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Website Creation	£0.00	£2000	£0.00	£0.00	£0.00
Photo's	£800	£0.00	£0.00	£0.00	£0.00
Marketing agency	£21,640	£20,720	£21,350	£21,970	£20,910
Listing companies	£1,200	£1,240	£1,270	£1,310	£1,350
Booking system	£280	£300	£460	£475	£490
Total	£23,920	£24,260	£23,080	£23,755	£22,750

Nightly Rates

The Spinney Cabin

Rate: £180 per night

This is based on similar holiday let offerings in Canopy & Stars own collection and a reflection of the wider average nightly rates across the UK for this structure type. On this basis, we consider this an achievable average rate.

Occupancy expectancy

According to market trends for high-end sites, this would start out high (around 70%) over ten years, and slowly decreasing over time due to competition and market changes (this can be addressed by re-investment in the product over time). The UK average occupancy for cabins in 2022 across the UK to date is 65% on C&S agency.

The Cabin by the Pond

Rate: £205 per night

The rate for this structure has been set higher than other cabin due to the combination of the water feature and the more extensive views as we feel this adds an extra level of value to this site.

Quarterly income for both sites

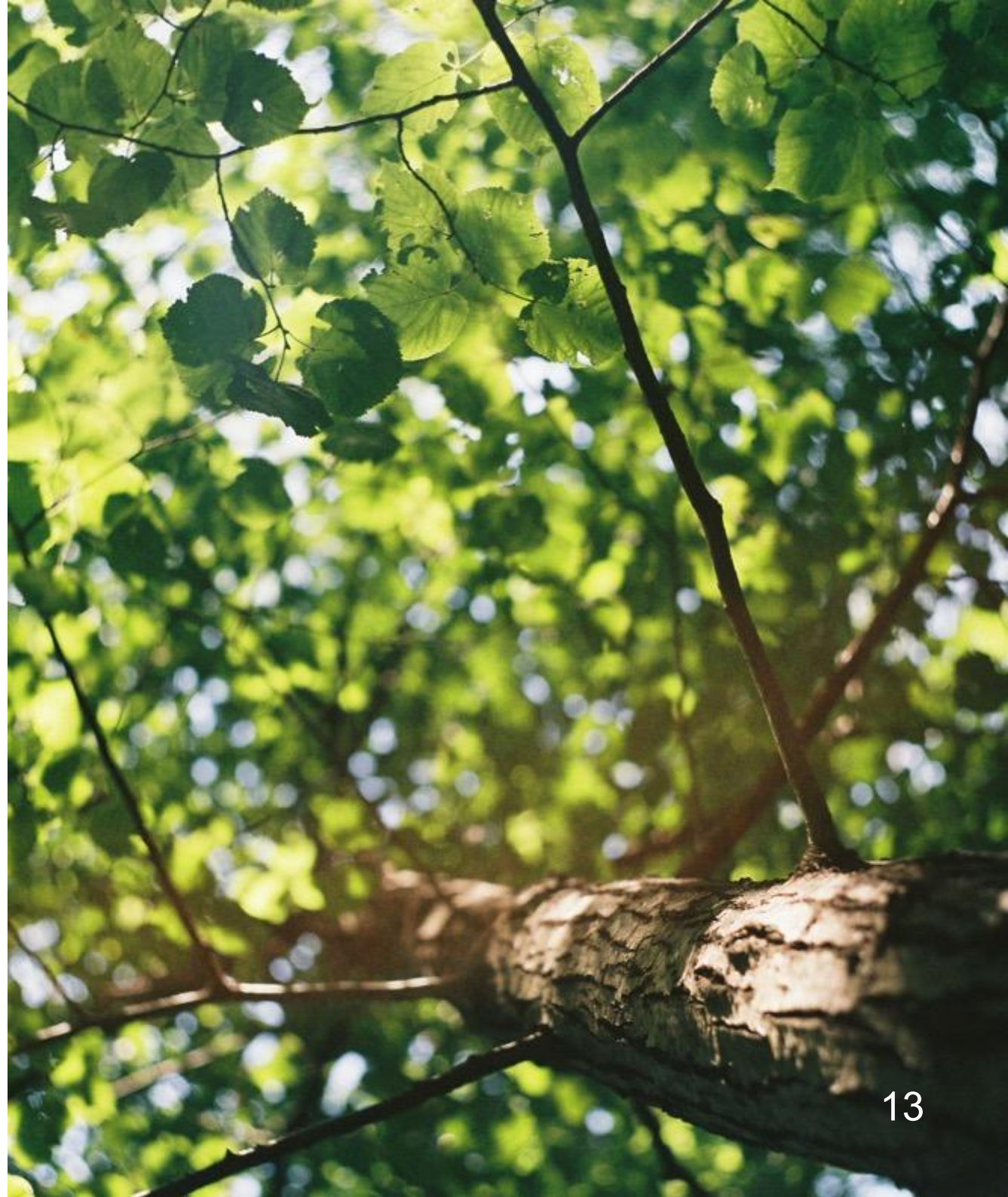
The quarterly income is set by seasonal booking trends worked into the forecast based on actual performance monitored on agency websites.

We have created one projection detailing the two units combined.

The costs attributed to sales cover all areas from cleaners to annual maintenance.

- Inflation rates have been set at an average of 3% and these are applied to nightly rates, insurance costs, and maintenance.
- For more information, you will find the attached revenue and profit projection guide.

The Project



Site 1

The Boat Pond

- Beautiful spot adjacent to a large pond
- Adjacent to ancient woodland (outside of the 15m buffer zone)
- Comprising part of an arable field next to woodland
- Cabin will be sited to take advantage of the lakeside setting without impacting upon the AW designation
- Excellent views towards the North/West
- Access to the site is feasible from the nearby existing farm track
- Guests can access the unit via a short walk from the proposed parking zone
- Benefits from access to power from the main farm complex as well as feasible mains water



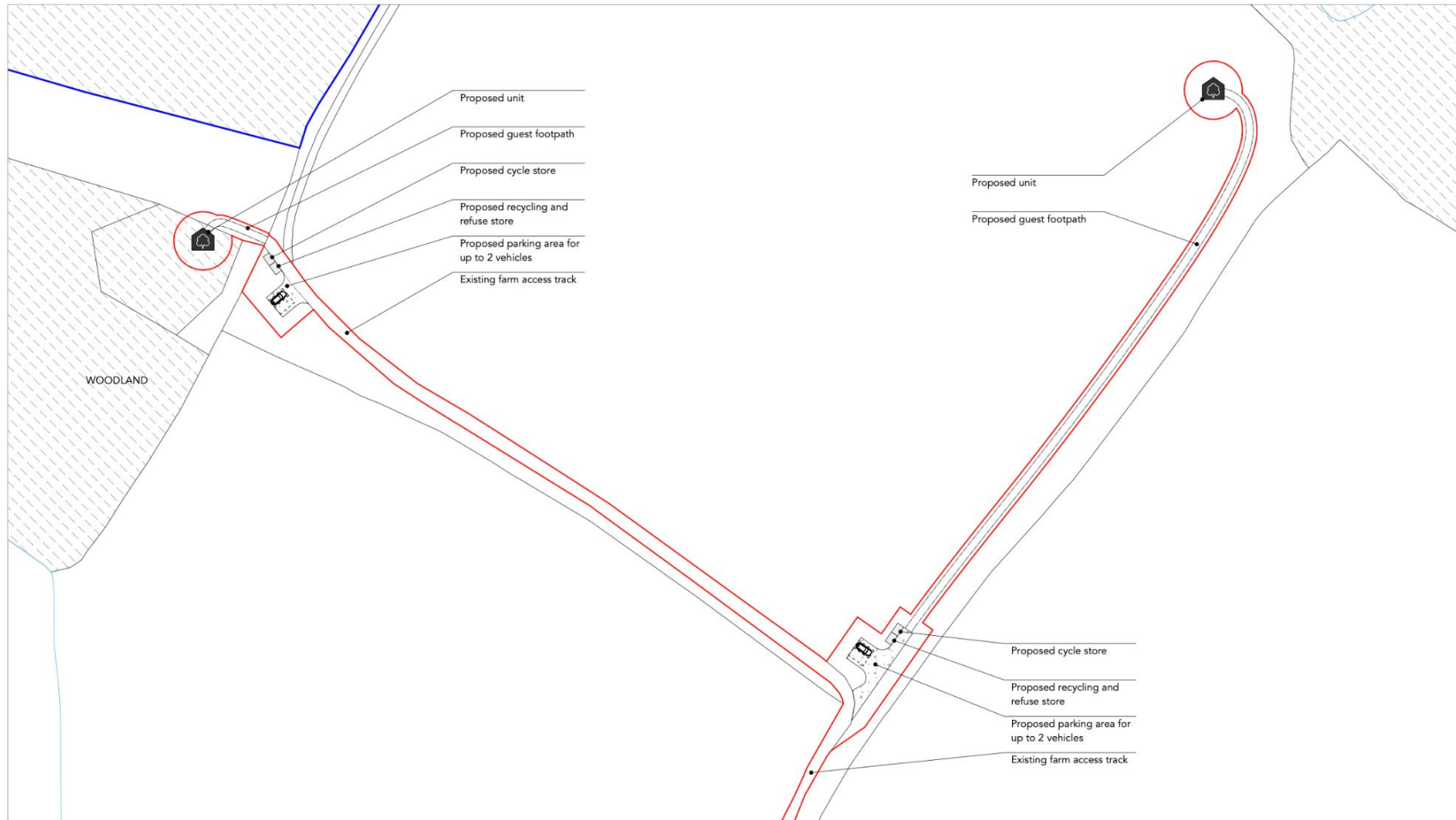
Site 2

The Spinney

- Attractive woodland edge location
- Within the woodland boundary but conveniently located outside the designated zone within the strip of pasture separating the spinney from the main block of woodland
- Slightly more sheltered than site 1 but still benefits from pleasant views to the west with sunset potential
- Existing and established vehicle access track
- Good access to water with an existing feed and power is feasible from the main farm complex



Site Layout



The Old Council Depot,
Presteigne, Powys, LD8 2DA
www.crownandcanopy.com
07837 162 452

Notes

Do not scale from this drawing for construction purposes. Check all dimensions and conditions on site prior to setting out or manufacturing. Report discrepancies between site, drawing or specification to the Architect.

This drawing is to be read in conjunction with the relevant consultant's specifications and schedules. All structural work is to be carried out in accordance with the Structural Engineers details and calculations. Precise positions of all fixtures and fittings are subject to confirmation on site.

All works to be carried out in accordance with current Health & Safety, including CDM regulations. All works to comply with current British standards and regulations, codes of practice and Building Regulations, and appropriate European standards.

This drawing is the copyright of the owners.



0m 10m 20m 40m 80m

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Revision -
Scale 1:1000 (1:500 at A1)
Paper Size A3
Stage Planning
Site Address Ashmore Farm, Buckingham Rd,
Buckinghamshire,
MK18 5NA

Site Plan

Ashmore Farm
ASH-P02

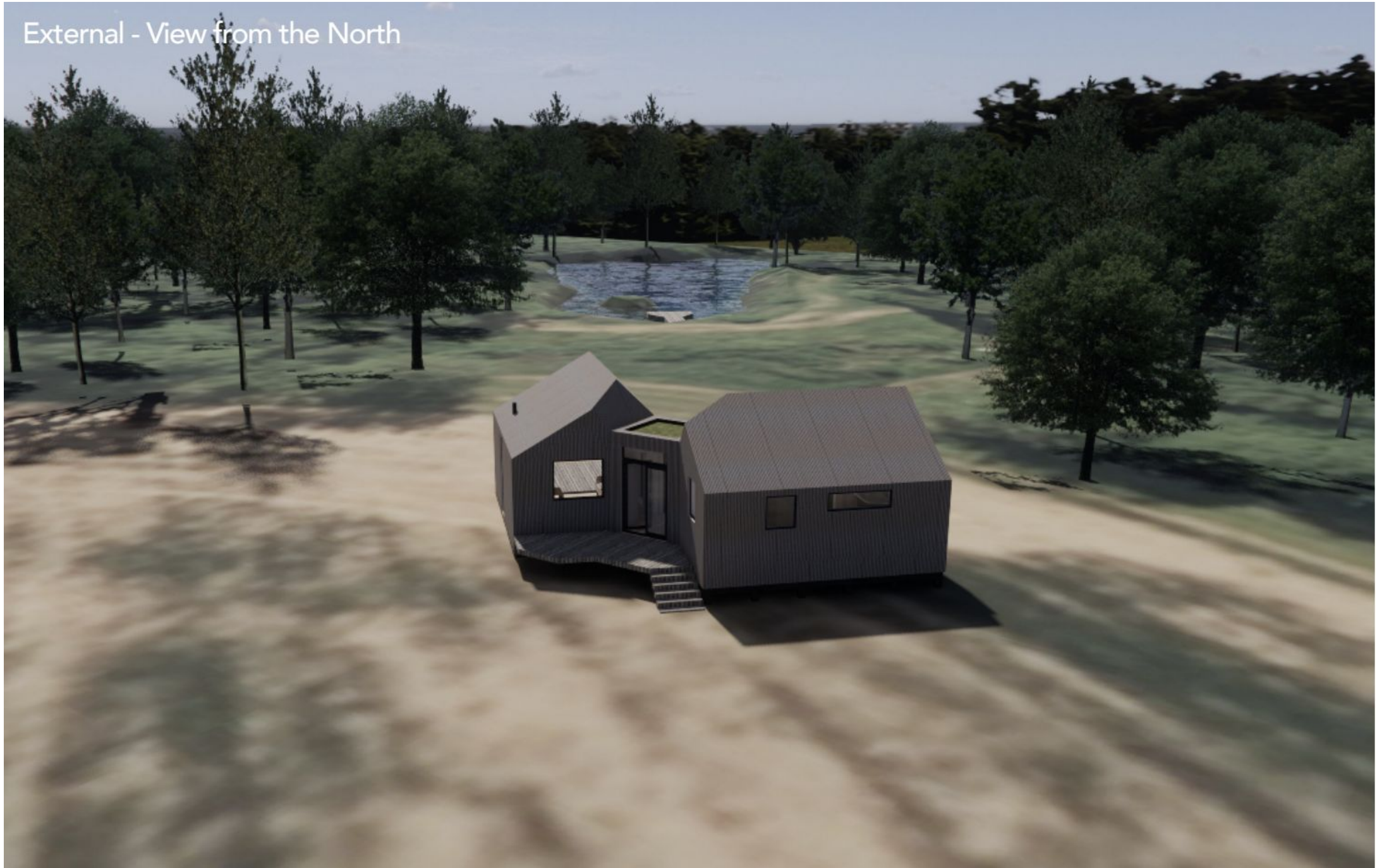
The Cabin Designs

The Pond Cabin

External - View from above (South)

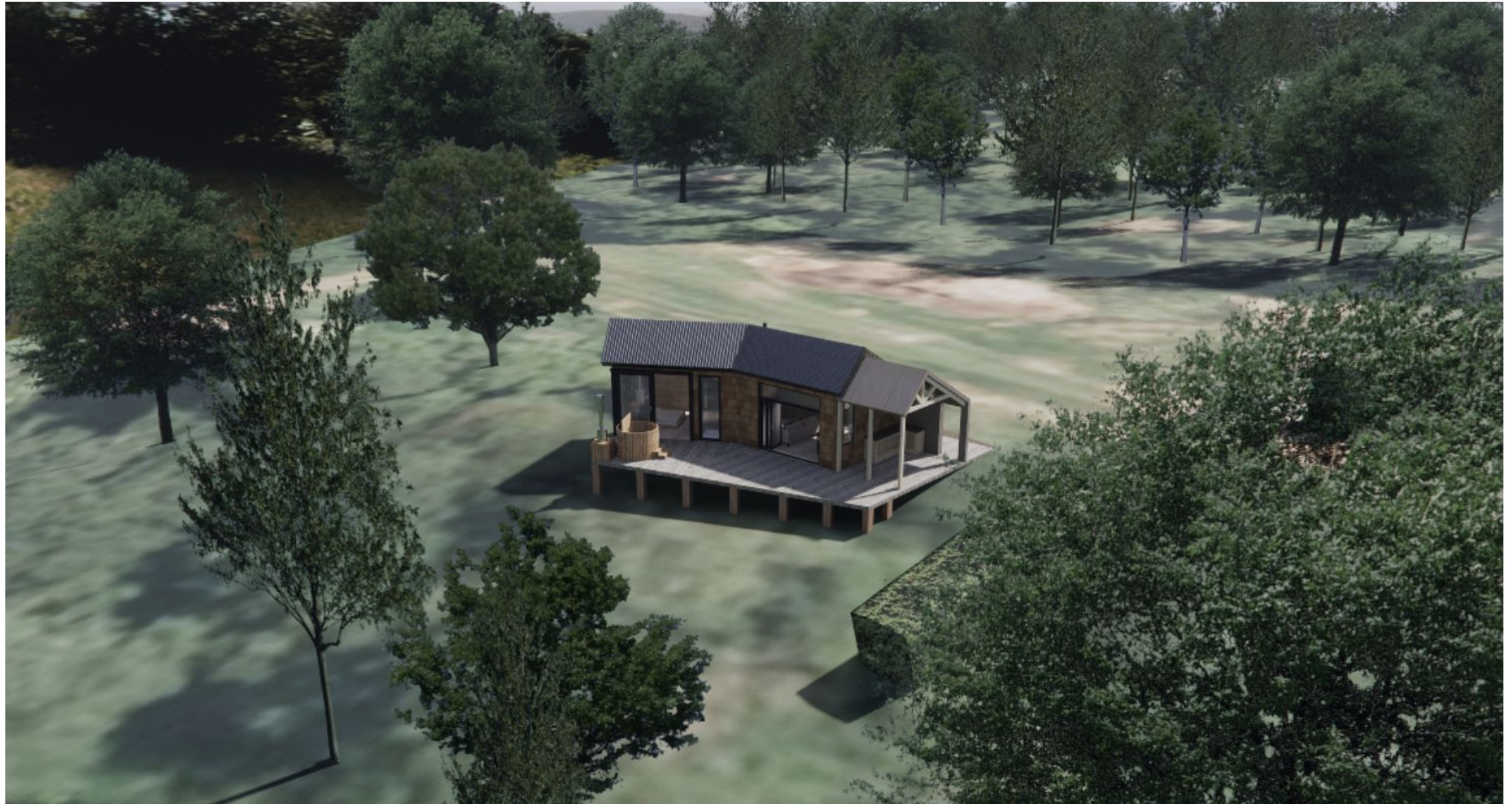


External - View from the North



The Spinney Cabin

External - Bird's Eye View from the South-West



External - Bird's Eye View from the North-East



Project cost estimates

Cost for the cabin structures and associated features

At this stage, these are estimates and are based upon similar builds and development costs per square metre based upon the designs from the SPONS Architects Price Book 2023.

On this basis, we have associated a build cost of £128,500 for the Pond Cabin and a £100,500 build cost for the Spinney Cabin.

The units will be developed to full self-catering standards with a kitchen, open plan living area and bathroom the Pond Cabin sleeping to 2-4 people and the Spinney Cabin sleeping 2.

A covered outdoor timber decked area for each cabin has also been itemised

The cost of large outdoor bathtubs have also been factored in for each unit to serve as an outdoor hot tub feature.

Breakdown

Combined cost of cabins	£229,000
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Additional features:	
– Combined cost for covered timber deck areas for cabins	£15,000
– 2 x Outdoor bath units	£2,400
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Total	£246,400
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Project cost estimates

Services

Power

The proposed accommodation units will have a new domestic power feed run in from the nearby transformer at the farm complex.

We have factored in a £2,000 budget within the scheduled rate to upgrade the existing transformer/connection. This is subject to further investigation with the power company to establish the existing feed and provision supplying the nearby property.

Water

As per discussion, a mains water connection point is established at the cabin location near the spinney. This is not the case with the pond location so we have factored in running a 25mm alkathine water pipe with ducting from the farm, the cost of trenching is factored into the above rate per metre for the power cable as the trench will be shared to save cost.

Breakdown

Power

Scheduled rate per metre includes, steel wire armoured (SWA) 6mm 3C cable and twin wall ducting, cable laying, dig and backfill

The combined distance from the transformer to the proposed units = 625m at £55 p/m

£34,375

Running 25mm pipe work through shared trench
Distance 405m at £1.95 p/m (Inc pipe and ducting)

£790

Total services

£35,165

Project cost estimates

Infrastructure

Access

The development benefits from an existing access track already in place to service the units, however, a £20 per metre rate has been set to improve the surface.

In addition to this, 2 proposed 1-2 vehicle parking areas have also been factored in to service guests.

Footpaths

A combined 215 m of gravel footpaths to access the units from the car parks will be necessary for guest access.

Foul and wastewater treatment

As per discussions we have factored in the installation of a package treatment plant (PTP) for each unit to deal with the foul and grey water. The PTP's will then discharge into drainage fields located next to the PTP's.

Breakdown

Track improvements 435 metres	£8,700
Gravel footpaths / 215m at £22p/m	£4,730
2 x 4-Person PTP installations	£5,800
2x Drainage fields	£3,600
Car parking areas	£3,750
Total infrastructure	£26,580
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Total infrastructure + services	£61,745
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Grand total	£308,145

Projected income and expenses summary

Further details can be found in the profit and revenue projection

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Income	£98,370	£108,680	£111,960	£122,930	£118,810
Total running costs	£16,890	£18,590	£19,150	£20,960	£20,320
Total marketing costs	£21,640	£23,920	£22,550	£23,210	£22,180
Maintenance	£1,800	£1,850	£1,910	£1,970	£2,030
Net income	£58,040	£64,320	£68,350	£76,790	£74,280

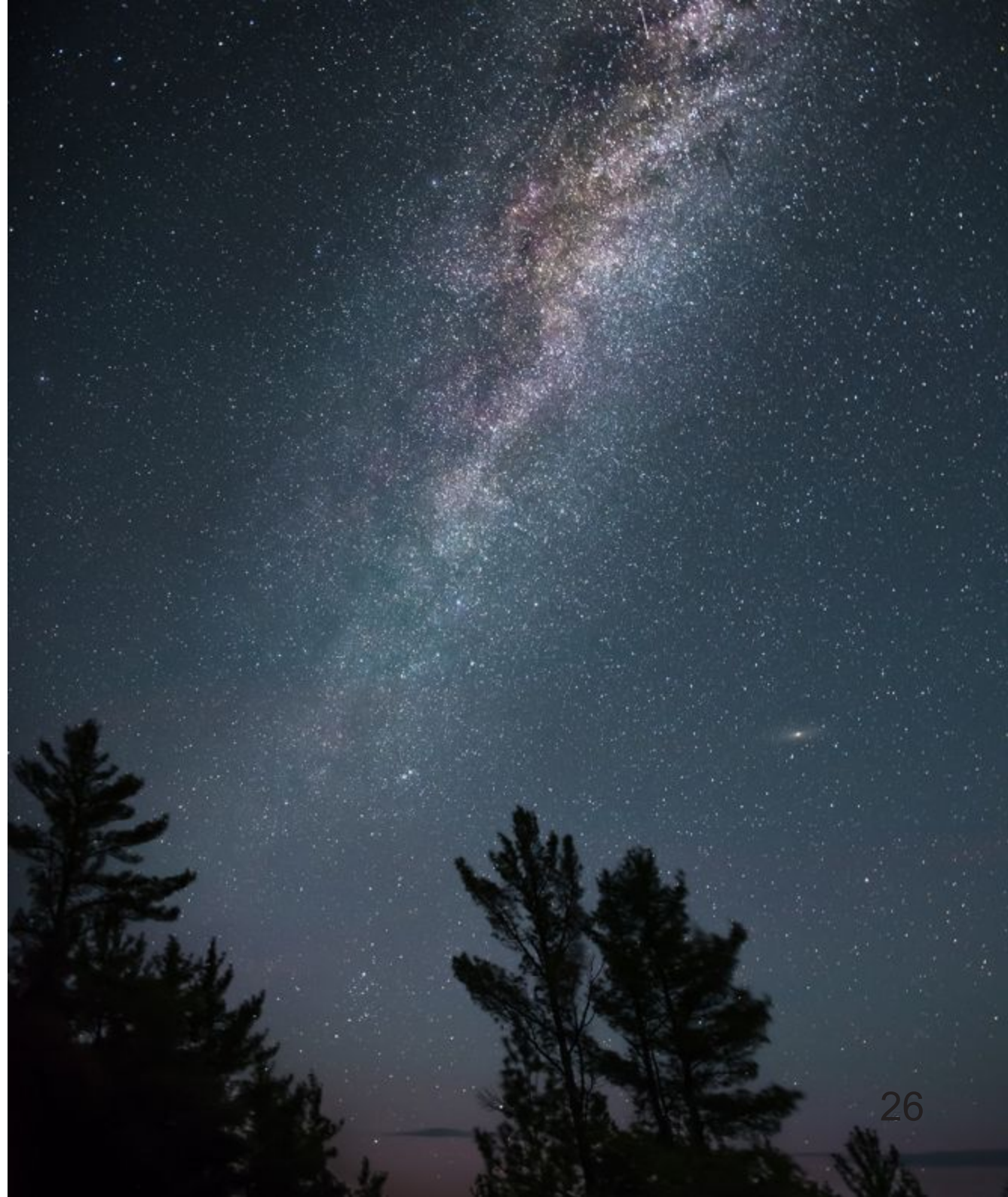
Planning

A planning policy research review was commissioned prior to forming a full planning application.

A full planning application has now been submitted for the project.



Comparable Case Studies



Case studies

Holly Water Cabin

Devon

Architect designed cabin with experiences extended outside of the space. Outdoor bath, chill out treehouse and separate firepit area.

Sleeps 2

Nightly rate: £160 - £220

Total occupancy rate: 88%

[Holly Water Cabin | Canopy & Stars](http://canopyandstars.co.uk)
(canopyandstars.co.uk)



Case studies

Humble Bee

Devon

Individual cabin shaped like a beehive.

Use of a shared hot tub.

Sleeps 2

Nightly rate: £150 – £245 per night

Total occupancy rate: 87%

[Humble Bee | Canopy & Stars \(canopyandstars.co.uk\)](http://canopyandstars.co.uk)



Case studies

Quiet of Stars

Cornwall

A Cornish cabin on the edge of woodland with hot tub and star lit skies.

Sleeps 2

Nightly rate: £165 - £195

Total occupancy rate: 87%

[Quiet of Stars | Canopy & Stars](#)

canopyandstars.co.uk



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