**CAMPING OR**

**CAMP GROUND**

**MARKETING PLAN**





**[Thornton Campground]**

**[2019 – 2020]**

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**EXECUTIVE SUMMARY**

[Thornton Campground] is a fun and inviting place for family and friends to camp in [Thornton, New Hampshire]. It is a small scale tent-only campground that is designed to create a serene atmosphere. To advertise the camping site, the company will make use of the local and international tourism publications. The company will also create a website that will be listed in online directories.

**COMPANY OVERVIEW**

**Mission Statement**

[Thornton Campground] mission is to provide a once in a lifetime camping experience to the local and international tourists in Thornton.

**Philosophy**

[Thornton Campground] believes that warm hospitality will always keep the customers coming back for another experience.

**Vision:** [Thornton Campground] seeks to influence people into appreciating the beauty of nature.

**Outlook**

Travel-related sectors have experienced a slow increase in sales after the economy has recovered from the downturn. Consumers have begun spending their disposable income on nonessential goods and recreational activities. The company will expect a positive performance from the industry in the coming years. That is why it is setting its eyes on expanding the camping ground in five years. It plans to add more recreational areas such as fire rings, picnic tables, game rooms, and a small cabin.

**Type of Industry:** Recreational/Camping Industry

**Business Structure:** Sole Proprietorship

**Ownership:** Sole Proprietorship, [Brad B. Poole]

**Start-Up Summary**

The start-up cost worth $[65,000] is to be provided by the owner and will be used for supplies, maintenance, payroll, and marketing materials.

|  |  |
| --- | --- |
| **Start-Up Funding** | |
| Start-Up Expenses | $20,000 |
| Start-Up Assets | $45,000 |
| **Total Funding Required** | **$65,000** |
|  | |
| **Assets** |  |
| Non-Cash Assets from Start-Up | $20,000 |
| Cash Requirements from Start-up | $12,000 |
| Additional Cash Raised | $1,000 |
| Cash Balance on Starting Date | $12,000 |
| **Total Assets** | **$45,000** |
|  | |
| **Capital** |  |
| Planned Investment |  |
| Owner | $65,000 |
| Other | $0 |
| Additional Investment Requirement | $0 |
| **Total Planned Investment** | **$65,000** |
| Loss at Start-Up (Start-Up Expenses) | -$20,000 |
| **Total Capital** | **$45,000** |
| Liabilities | $0 |
| **Total Capital and Liabilities** | **$45,000** |
|  | |
| **Start-Up** | |
| **Requirements** |  |
| Start-Up Expenses |  |
| Rent - 5 Months | $6,000 |
| Advertising | $2,500 |
| Legal Fees | $1,000 |
| Staff Training | $8,000 |
| Insurance | $1,000 |
| Other | $1,500 |
| **Total Start-Up Expenses** | **$20,000** |
|  | |
| **Start-Up Assets** |  |
| Cash Required | $12,000 |
| Start-Up Inventory | $20,000 |
| Other Current Assets | $1,000 |
| Long-Term Assets | $12,000 |
| **Total Assets** | **$45,000** |
| **Total Requirements (Total Start-Up Expenses + Total Assets)** | **$65,000** |

**PRODUCTS AND SERVICES**

**Product/Service Description**

[Thornton Campground] provides campers a peaceful campsite that is a little bit deep into the forest and is close to a river. It also provides them picnic tables, fire rings, and a small RV parking lot.

**Value Proposition**

[Thornton Campground] offers a serene atmosphere that will make the tourists feel at ease while still sending hints of a thrilling adventure.

**Pricing Strategy**

[Thornton Campground] uses penetration pricing and competitive pricing strategies to attract customers.

**MARKETING ANALYSIS**

Over the last five years, the campground industry has experienced steady growth. Factors such as rising disposable income and trends in the travel industry have contributed to the rise in domestic travels. Today, the industry earns $[7 billion] annually and is growing at CAGR of [1]%. Any company can become successful in this particular industry as there are no companies that hold a huge portion of the market.

**Market Segmentation**

[Thornton Campground] divides its target market into two segments: the frequent campers and the non-frequent campers. The company will focus its strategies on frequent campers as they are the ones that hold a huge portion of the market. Different strategies will be used on each of the segments to determine their likes, dislikes, and needs, and then work from there.

**Target Market Segmentation Strategy**

Frequent campers

* The company will advertise on local, national, and international tourism publications as these are the type of publications that camping enthusiasts will most likely read. Advertising materials paired with attractive high-definition photos of the camp will be crafted to entice the readers.
* More ads will be launched on social media sites targeting people who are most likely to go on camping.

Non-frequent campers

* The approach will be the same for the non-frequent campers. But, the message will most likely focus on their needs for safety, reassurance, and on how far their money can go considering that most of them are beginner campers.

**STRATEGY AND IMPLEMENTATION**

**Target Market Strategy**

[Thornton Campground] aims to have a profit margin of [4]% and above for the first year of operation. This will be done through improving the campground’s visibility online and offline and continued efforts for effective marketing.

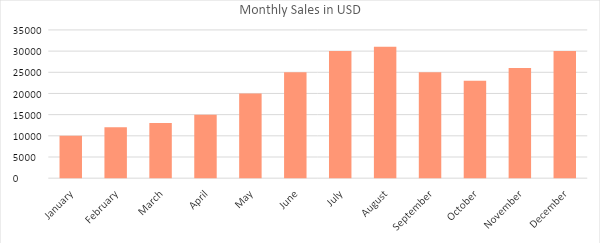
**Competitive Edge**

The company’s penetration pricing strategy will enable it to gain a competitive advantage at the early stages. Its amenities and services will make sure to keep the customers coming all year round.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SWOT Analysis** | **Strengths** | **Weaknesses** | **Opportunities** | **Threats** |
| [Thornton Campground] | Attractive amenities | Operates in a small estate | Trends in the tourism industry that may increase the profitability of the business | Competition with a larger campground, better amenities, and competitive prices |
| [Rivercamp NH] | Strong marketing strategies | Weak staff management | Growing interest in camping in the state | Another economic downturn that reduces the spending power of consumers |
| [McKinnon Campsite] | Has a large campsite | Unskilled staff | May attract more campers due to the size of its camping site | Customers may opt for another site for better services |

**SALES STRATEGY AND FORECAST**

Following successful marketing campaigns, the company aims for the following monthly sales:

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**Marketing Strategy**

The company uses tourism publications as its advertising material. It will create copies that entice and encourage frequent campers to go to the company’s campground. The same approach will be taken to attract non-frequent campers except it is targeted on their specific needs as beginner campers.

The company will also use social media ads for efficient marketing and online directories to increase its visibility.

The team has started several activities to drive the marketing strategies forward. Here are some of the updates:

**Milestones**

|  |  |  |  |
| --- | --- | --- | --- |
| **Marketing Strategy** | **Activities** | **Timeline** | **Success Criteria** |
| Tourism publication | The team has contacted several known publications | April 7, 2019 | The company’s ads are featured on local, national, and international tourism publications. |
| Online directories | Have listed the campground to five known online directories | May 1, 2019 | Thornton Campground is visible in some of the online directories. |

**MANAGEMENT AND PERSONNEL**

Below is the organizational structure of the company:

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**FINANCIAL PLAN**

The financial plan includes the projected break-even analysis, profit and loss, balance sheet, and cash flow.

**Break-Even Analysis**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Fixed Costs** | **Average Price** | **Variable Costs** | **Contribution Margin** | **Break-Even Units** |
| $2,000.00 | $30.00 | $20.00 | $10.00 | 200.00 |
|  | | | | |
| **Fixed Costs** | | **Amount** | **Variable Costs** | **Per Unit Amount** |
| Rent | | 1,500 | Advertising | 7 |
| Insurance | | 500 | Legal Fees | 3 |
|  | |  | Staff Training | 10 |
|  | |  |  |  |
|  | |  |  |  |
|  | |  |  |  |
| **Total** | | **2,000** | **Total** | **20** |

|  |  |  |
| --- | --- | --- |
| **Fixed Costs** | | **Variable Costs** |
| Business Lease - Rent | | $1,500 |
| Insurance | | $500 |
| **Total Fixed Costs** | | **$2,000** |
|  | |  |
| **Total Units Sold in 1 Month** | | **250** |
|  |  |  |
| **Variable Costs (Total Units Sold/Cost per Unit)** | **Average Price** | **Variable Costs** |
| Advertising | $36 | $7 |
| Legal Fees | $83 | $3 |
| Staff Training | $25 | $10 |
| **Total Variable Cost (Per Unit)** | | **$20** |
|  | |  |
| **Break-Even** | | |
| **Selling Price Per Unit** | | **$30.00** |
| Break-Even Point Per Unit [Fixed Costs/(Sales Price Per Unit - Variable Cost Per Unit)] | | 2,000 |
| 10.00 |
|  | |  |
| **Break-Even Point in Units** | | **200** |
|  | |  |
| **Contribution Margin (Selling Price - Total Variable Cost)** | | **$10.00** |

|  |  |  |  |
| --- | --- | --- | --- |
| **Profit and Loss Projection** | | | |
|  | **FY2019** | **FY2020** | **FY2021** |
| Sales | $350,000.00 | $380,000.00 | $420,000.00 |
| Direct Cost of Sale | $140,000.00 | $150,000.00 | $180,000.00 |
| Other Cost of Sale | $6,000.00 | $7,000.00 | $10,000.00 |
| **Total Cost of Goods Sold or COGS (Sales - Direct Cost of Sale - Other Cost of Sale)** | $204,000.00 | $223,000.00 | $230,000.00 |
| **Gross Profit (Sales-Total Cost of Goods Sold)** | $146,000.00 | $157,000.00 | $190,000.00 |
| **Gross Margin % (Gross Profit/Sales)** | **41.71%** | **41.32%** | **45.24%** |
|  |  |  |  |
| **Operating Expenses** |  |  |  |
| Rent | $25,000.00 | $30,000.00 | $35,000.00 |
| Insurance | $12,000.00 | $13,000.00 | $14,000.00 |
| Utilities | $15,000.00 | $16,000.00 | $17,000.00 |
| Salary (Including Tax) | $50,000.00 | $60,000.00 | $70,000.00 |
| Maintenance & Supplies | $5,000.00 | $6,000.00 | $7,000.00 |
| **Total Operating Expenses** | **$107,000.00** | **$125,000.00** | **$143,000.00** |
|  |  |  |  |
| EBITDA (Total Cost of Sale-Total Operating Expenses) | $97,000.00 | $98,000.00 | $87,000.00 |
| Depreciation | $3,000.00 | $3,500.00 | $4,500.00 |
| Interest Expense | $0.00 | $0.00 | $0.00 |
| Taxes Paid | $2,500.00 | $3,500.00 | $4,500.00 |
| **Net Profit (Gross Profit - Operating Expenses - Taxes - Interest)** | **$36,500.00** | **$28,500.00** | **$42,500.00** |

|  |  |  |  |
| --- | --- | --- | --- |
| **Balance Sheet Projection** | | | |
|  | **FY2019** | **FY2020** | **FY2021** |
| Cash | $90,000.00 | $130,000.00 | $160,000.00 |
| Accounts Receivable | $20,000.00 | $25,000.00 | $40,000.00 |
| Inventory | $15,000.00 | $20,000.00 | $25,000.00 |
| Other Current Assets | $10,000.00 | $15,000.00 | $16,000.00 |
| Total Current Assets | **$135,000.00** | **$190,000.00** | **$241,000.00** |
|  |  |  |  |
| Long-Term Assets | $10,000.00 | $12,000.00 | $15,000.00 |
| Accumulated Depreciation | $5,000.00 | $6,000.00 | $7,500.00 |
| **Total Long-Term Assets (Long-Term Assets-Accumulated Depreciation)** | $5,000.00 | $6,000.00 | $7,500.00 |
| **Total Assets (Total Current Assets + Total Long-Term Assets)** | **$140,000.00** | **$196,000.00** | **$248,500.00** |
|  |  |  |  |
| Accounts Payable | $9,000.00 | $12,000.00 | $13,000.00 |
| Notes Payable | $11,000.00 | $15,000.00 | $20,000.00 |
| Other | $5,000.00 | $6,000.00 | $10,000.00 |
| Total Liabilities | **$25,000.00** | **$33,000.00** | **$43,000.00** |
|  |  |  |  |
| Paid-in Capital | $100,000.00 | $130,000.00 | $140,000.00 |
| Retained Earnings | $160,000.00 | $180,000.00 | $200,000.00 |
| **Total Owner's Equity (Total Assets - Total Liabilities)** | **$115,000.00** | **$163,000.00** | **$205,500.00** |
| **Total Liabilities & Equity (Total Liabilities/Total Owner's Equity)** | **21.74%** | **20.25%** | **20.92%** |

|  |  |  |  |
| --- | --- | --- | --- |
| **Cash Flow Projection** | | | |
|  | **FY2019** | **FY2020** | **FY2021** |
| Operating Cash Beginning | $80,000.00 | $90,000.00 | $110,000.00 |
|  |  |  |  |
| **Sources of Cash** | $20,000.00 | $25,000.00 | $30,000.00 |
| Receivables | $15,000.00 | $25,000.00 | $35,000.00 |
| Sales | $50,000.00 | $60,000.00 | $75,000.00 |
| Others | $6,000.00 | $8,000.00 | $10,000.00 |
| **Total Cash** | $171,000.00 | $208,000.00 | $260,000.00 |
|  |  |  |  |
| **Expenditures** |  |  |  |
| Rent | $25,000.00 | $30,000.00 | $35,000.00 |
| Insurance | $12,000.00 | $13,000.00 | $14,000.00 |
| Utilities | $15,000.00 | $16,000.00 | $17,000.00 |
| Salary (Including Tax) | $50,000.00 | $60,000.00 | $70,000.00 |
| Maintenance & Supplies | $5,000.00 | $6,000.00 | $7,000.00 |
| **Total Expenditures** | $107,000.00 | $125,000.00 | $143,000.00 |
| **Net Income/Loss (Total Cash - Total Expenditures)** | **$64,000.00** | **$83,000.00** | **$117,000.00** |