



Life in the *Wild*

Lodges cater to tourists willing to pay more for an exclusive experience in the African bush – and their growing appeal conveys benefits to local populations. Words and pictures by David Harper

Are lodges just too small to work? Conventional wisdom is that hotel projects make financial sense once the bedroom count exceeds 100 keys, because costs such as sales and marketing do not bear a direct correlation to room numbers.

Each hotel requires a general manager, which costs no more if you have 400 or 40 rooms, but the contribution per room is significantly lower if the property is larger.

Such economies of scale have worked across most urban hotels, so how can any sensible investor consider looking at a four-tent safari lodge, where a maximum capacity of eight guests is looked after by a full-time staff of 16?

An ever-expanding business

But a sea change in thinking has occurred, and the desirability of such lodges has skyrocketed. Investing \$1m (£640,000) to build a property that could be worth five times as much six years after opening is one reason for such a change. Another is the impressive potential annual revenue streams. Some of these lodges can charge as much as \$3,000 per night, per person.

A recent study by W Hospitality Group, a consultancy specialising in Africa hotels, revealed that the number of such lodges had increased by 151% over the past ten years. In northern Botswana, an area incorporating the Okavango Delta, Chobe National Park and Makgadikgadi Pans, the number of lodges grew by 630% over the same period.

It is not just the number of lodges, or bed spaces that is increasing. The number of destinations considered suitable for such high-end lodges has also increased, according to a survey carried out by African leisure industry specialist Leisure Property Services. The survey found that, over the past five years, the number of safari parks for high-end visitors had increased by more than 300% as tourists started to look beyond the usual destinations.

Changing ownership

Most safari lodges have independent owners, typically part-retired, motivated simply by a passion for the African bush. The charm of the proprietor is fundamental to the success of the lodge. Enthusiastic, helpful hosts usually run thriving lodges. However if the host's sparkle dulls then business declines and foreclosure looms.

Many tour operators have spotted the huge potential and boutique lodge



1 Jack's Camp, Botswana 2 Nambwa Lodge, Namibia 3 Mazambala Island Lodge, Namibia 4 Munga Eco Lodge, Zambia 5 Wildlife: still the main attraction

"Guests are after a sense of adventure with a hint of danger in order to have great stories to tell back home"

operators have sprung up to meet this need. There has been a noticeable shift towards consistent high-end standards as good as anything in a city hotel but still offering African charm.

Governments in the host countries have also identified the importance of the lodge market (low-volume facilities catering to high-spending clientele is thought to benefit all segments of society) and tender options for new lodges tend to rely on carefully considered business plans that favour experienced operators.

What makes a good lodge?

A recent survey of lodge guests, tour operators, and lodge operators carried out by Hotel Partners Africa found that the most important factor for a successful lodge was its location, followed by the activities it offered, the level of service, and then, surprisingly,

the facilities offered. In essence, clients will forgo hot showers in order to visit the most beautiful places in the world. Guests are after a sense of adventure with a hint of danger in order to have great stories to tell back home.

The summary of the findings was that a great location tended to be within 40 minutes of a bush landing strip, with views over a waterhole, river or plains, in, or on the edge of, a national park, where game wanders through at night. Being escorted from the bar to your tent by staff, knowing you have an electric horn to sound the alarm in the event an animal tries to enter your tent provides a hint of danger, without any real risk.

Game drives, river cruises, night drives, game walks, photography tours and kayak trips provide a variety of activities. Amenities include outdoor showers, bedrooms with views of the game and a romantic campfire.

FOR THE GOOD OF AFRICA?

Although they are perceived as exclusive, African lodges are at the forefront of battles for income equality and environmental protection.

Valentina Zeisler, vice president of the German Investment and Development Company, says: "Lodges are helping to transform the lives of local populations wherever they are located. A typical lodge employs over 95% local people, increasing employment in the area massively. In addition, the lodge usually pays a rent to the community, enhancing its economic prospects."

"Training for the hotel staff helps to increase education and employment options for local people, while local skills, such as cooking and carving, find a market from lodge guests."

"DEG is looking to fund a partner to build between 20 and 50 lodges in an area encompassing Zimbabwe, Zambia, Angola, Botswana, and Namibia, which will help to generate income for villages in deprived parts of the region."

Liam Breedveld, former operations manager of Mahali Mzuri, a Virgin Limited Edition hotel in Maasai Mara, says: "The benefits for wildlife for a well-managed safari lodge are almost incalculable. In 2013-14 in east Africa we had probably the worst ever year for poaching since [conservationist Richard] Leakey burnt all the ivory. But where our lodge was located poaching was non-existent, as every single local person had seen, and felt, the benefit personally of having animals in the immediate vicinity."

At a glance

- * Lodges charge as much as \$3,000 per night, per person
- * The number of lodges in Africa has soared by more than 151% in ten years
- * The number in northern Botswana has soared by 630% in the same period
- * The number of safari parks has risen by more than 300% in five years

Changing market

Demand for lodges shifts constantly, and operators alter their offer to keep up. Safari trips used to be described as once in a lifetime but nowadays many customers repeat safari trips, albeit to different sites (only 12% of safari guests were repeat customers, while 63% had been on one safari or more, according to Leisure Property Services).

The beauty and serenity of the Virunga National Park, or the sheer variety of the game visible in the Okavango Delta, mean that lodge guests tend to return to Africa regularly.

And lower-priced lodges are sprouting up. Some lodges charge as little as \$100 a day and may offer only an indoor shower, rather than an indoor and outdoor one and 25 sq m rooms compared with 40-60 sq m rooms in luxury facilities.

But the attraction is in the location, watching wildlife in its home, rather than the facilities.

David Harper is managing director of Leisure Property Services and head of property services at Hotel Partners Africa

They all went out of their way to ensure the animals were unharmed so the tourists would keep pouring back in."

Nick Newell, director of hotels and leisure at Savills, one of the few global property firms with experience in sub-Saharan Africa, says: "These lodges are leading the way in ecological advances. Customers, and more importantly tour operators, require exacting standards to be met, helping to ensure that the most successful lodges are at the forefront of the green revolution."

Lodges are making a huge difference in the lives of local communities, in terms of training, employment and income for local people. And they help tourists to appreciate Africa's culture and wildlife.