



COMPANY PROFILE

LEKOA BED AND BREAKFAST AND TRADING CC

CK-2010/111451/23

1.0 EXECUTIVE SUMMARY

1.1 Introduction

Lekoa Bed And Breakfast And Trading CC was established in 2010 by Richard and Lydia Nqhatsetseng during the hype of world cup. Lekoa Trading is situated at 10 Maansteen Street Bonanne, Vanderbijlpark. Lekoa provides bed and breakfast, conferencing facilities, currently consists of Twelve (12) en-suites rooms. Four is composed of a spacious bedroom, a bathroom with a shower/Bath and a lounge. 6 has showers and 2 has a bath. All rooms are equipped with tea and coffee facilities and have DSTV commercial package, and also furnished with flat TV sets. We have Gas Geysers, Solar Geysers, Generator, Wi-Fi, CCTV, Electric fence, Car port.

The facility is located in a tranquil suburb hence attracting professionals and people who come to do business within the Sedibeng municipality and the corporates as we are surrounded by Big companies like Eskom Lethabo, Seriti, Sasol, Emfuleni Municipality, Emfuleni Medi clinic, and Water, Accelor Mittal, Sasol, etc. Lekoa Bed And Breakfast is about 9km away from the popular Emerald Casino and Resort and about 2km (4minutes') drive from the Vaal Mall, Stonehaven on Vaal 7km (9 minutes). Access to R59, N1, R57, R42

1.2 The Products and Services

Lekoa Bed and Breakfast is set to operate a standard hospitality service in the Vaal. The point that we want to become a force to reckon within the hospitality industry means that we will provide our guests with, social room, and self-service laundry room and business centre; for the purpose of business or leisure and more. In all that we do, we will ensure that our guests leave with an unforgettable experience that will make them want to come back as well as recommend our B & B to their friends, family members and business partners. These are the services and amenities that is available to our guests;

- Lodging Meals, Drinks, Swimming pool, laundry, Conference

1.3 CLEANING/HOUSE KEEPING DEPART

- Cleaning rooms, toilets, office, kitchen, dining area
- Laundry – Guesthouse linen and overalls for the contract guests

1.4 Vision

To provide quality and unique bed and breakfast, and conferencing facilities aimed at satisfying customers from a wide social and economic spectrum.

1.5 Mission Statement

In order to achieve its vision, Lekoa Bed And Breakfast And Trading will provide excellent personalized service and convenience through well trained and groomed staff.

2.0 Business Structure

The success of any business is to a larger extent dependent on the business structure of the organization and the people who occupy the available role. Lekoa Bed and Breakfast will work with a business structure that will give room to employees to

explore their creativity, give a sense of belonging, as well as grow through the corporate ladder of the organization.

We will work hard to ensure that we only recruit the right set of people with the right mindset to help us achieve our business goals and objectives in record time. We intend building Lekoa Bed and Breakfast on this structure;

- Chief Executive Officer (Owner)
- Bed and Breakfast Manager
- Human Resources and Administrative Manager (Owner)
- Accountants / Cashiers (Private)
- Facility / Maintenance Manager
- Marketing Officer
- Front Desk Officer
- Cleaners / Washer men

3.0 COMPANY S.W.O.T ANALYSIS

Strengths

Our area of strength cannot be farfetched; the location of our B & B is perfect for such business, our staff have robust experience in the industry, our customer's services is second to none in the whole of Vaal and our facility is top notch

Weaknesses

Our perceived weakness could be that we are a new business, and we may not have the financial muscle to sustain the kind of publicity we want to give our business.

Opportunities

We are surrounded by big companies like Eskom Lethabo, Sasol, Rand Water, Accelor Mittal, Sasol, etc. Lekoa Bed And Breakfast is about 9km away from the popular Emerald Casino and Resort and about 2km (4minutes') drive from the Vaal Mall, Stonehaven on Vaal 7km (9 minutes).

Threats

- Unlicensed operators with lower operational costs will continue to take business away from registered operators.
- Service delivery is not good; therefore, it affects our roads, cut off of electricity, etc.
- One of the threats that is likely going to confront us is; unfavourable government policies

4.0 MARKET ANALYSIS

4.1 The Target Market

We conducted a feasibility study and market survey and we were able to identify waste our time on activities that would yield us nothing, which is why we invested time to create a guesthouse marketing plan to help us do only the most needful things. These are the category of people that we intend marketing our hotel to;

- Corporate Executives
- Business People
- Sports Men and Women
- Government Officials
- College Students
- Tourists
- Travelers
- Travelling Agencies
- Event Managers
- Religious Organizations

4.2 Market Trends

The trend in the hospitality industry is such that there are peak periods and off peak periods. Thus, hoteliers know this and have been able to make provision to properly handle the change in season. For example; during summer or during any major sporting event or business summit and Shut downs at Eskom and Sasol, most hotels

and Guesthouses and B and B in the Vaal are almost fully booked. As a matter of fact, that is the period that some accommodations make the money that will sustain the business for the rest of the year.

Be that as it may, some hotels, B and B, Guesthouses are well positioned and they enjoy rich patronage all through the 12 calendar months of the year. Another trending feature in the hospitality industry is that it is profitable to build your brand and then venture into the sale of franchise, if you know you don't have the capacity to manage various branches of your hotel.

Over and above, hoteliers are quite aware that they are in the industry not for quick returns on their investments, but to steadily build a brand that can become a global brand while growing their profits year in year out.

4.3 Competitive Advantage

The competitive edge of Lekoa Bed and Breakfast is the excellent and customized service that we offer to all our guest irrespective of their status. We can boldly say that the location of our Bed and Breakfast is going to give us an edge over our competitors in the Vaal Area. We are in the middle of the happening city in the Vaal. From the location of our Band B, you can connect to R59, N1 with little or no stress.

Another significant competitive advantage that we are surrounded by Big Companies like Accelo mittal, Eskom, New Vaal Colery (Seriti), Rand Water Colleges, Vaal University of Technology, etc. bringing to the industry is the robust experience of our management team. We have a team that has a combination of 5 years of experience in the hospitality industry.

5.0 Promotion

The Company will design promotions that are aimed to achieve the following:

Attention

- Information brochures and promotional material will be distributed to tourist entry points and other information centers in the country. The brochures will

have an attractive outlook so as to create positive first impressions and attract first time visitors to South Africa.

Interest

- The contents of the promotional material and brochures will be in such a way as to keep the customer's interest. The mission statement and the company's vision will be included as well as major areas of tourist interest in Sandton and the diverse services provided by Lekoa Bed And Breakfast And Trading.

Desire

- The promotional material will be decorated with pictures so as to stimulate potential customers to have a desire to stop at Lekoa Bed And Breakfast And Trading.

Action

- The promotions will be designed to stimulate customer to request for bookings. The business intends to use both national and local tourism boards as a platform to promote and sell the services on offer. The targeted national boards include Gauteng Tourism Authority, South African Tourism and local boards include Soweto Tourism, Alexandra Tourism and Tshwane Tourism associations. Lekoa Bed And Breakfast And Trading also intends to sponsor radio programme to raise awareness of the company's products. In these promotions winners in these shows will get free Company products. As part of publicity initiatives Lydia intends to invite local radio or television journalists to experience Lekoa Bed And Breakfast And Trading services.

The business through Lydia intends to attend trade shows and tourist exhibitions all over South Africa. This will help Lekoa Bed And Breakfast And Trading to showcase the services it offers. Lekoa Bed And Breakfast And Trading will also list on the Gauteng Provincial Government database so as to receive invitations to tender for tourist related services.

Other promotional strategies put in line by Lekoa Bed And Breakfast And Trading include;

- Opening a website for easy product and services range access.
- The business will introduce special weekend product package for couples that are interested in bookings at discounted rates over month ends.
- Lekoa Bed And Breakfast And Trading will forge partnership with the South Africa Tourism Board and other media organizations with a view to provide product specials in September, the tourism month.
- The company will from time to time conduct sales promotions i.e., “two for the price of one” to attract customers.

Such consistent promotional strategies will give Lekoa Bed And Breakfast And Trading the much needed market presence and help build a big customer base.

5.1 Price

Product pricing will be on a cost-plus markup basis. Lekoa Bed And Breakfast And Trading will use price discrimination (that is, where one package is priced differently for local and foreign tourists). This pricing policy will aim to make profit on volumes from the local market and profit from higher prices from the international tourist’s market. The high prices on products targeted to international tourists are based on the fact that tourism is a luxury product and international consumers of tourism products are more concerned about status than the price of the product.

Lekoa Bed And Breakfast And Trading’s rates will be constantly compared with competitor levels so as to ensure that prices remain competitive.

CONCLUSION

The tourism industry has seen significant growth since the 2010 soccer world cup event. The infrastructure investment expected and planned for the years leading to this event boosted the tourism industry. The current confidence wave being experienced in the economy and the government empowerment policies will create significant opportunities for service providers like Lekoa Bed And Breakfast And Trading. Lydia has developed a unique theme concept and has a vision to take a step forward and establish a bigger enterprise.

