

IS A GLAMPING BUSINESS A GOOD IDEA?

This is a question we get asked all of the time, so we thought we'd share our views on the subject to help you gather information to decide if a glamping business is right for you.

Firstly lets discuss exactly what the potential market looks like. Glamping has seen a huge rise in popularity over the last few years especially, however this trend looks to be continuing with the global industry estimated to be worth more than \$5.4 billion by 2028. The main demographic driving this growth is the 18-33 year old's who are looking for unique, luxurious experiences to reconnect with nature. Many landowners have already taken the jump and invested in diversifying the use of their land and even hospitality venues, hotels and theme parks now offering glamping experiences to capture the younger demographic spend.



THE KEY CONSIDERATION IS WHERE WOULD YOU START YOUR BUSINESS?

If you are already a landowner then this is quite a simple decision. If you don't already have the land then this becomes a key decision as location is critical to the overall success of any glamping business. With land typically selling for between £12,000 - £15,000 per acre this is a significant investment and you need to consider a number of elements including:

- Access – How will guests access the land, can I get services to site including deliveries, etc...
- Facilities – Does the land have any utilities available? If not this could be a further expense you need to budget for
- Local attractions – Is there a reason for guests wanting to visit you, area of outstanding beauty, theme parks, national parks, etc...

Get your land decision correct and your glamping venture in our opinion would be a worthwhile investment.

TIMESCALES FOR STARTING A GLAMPING SITE

If you are starting a site from scratch or adapting use of land you are likely to need to apply for planning permission, this process will typically take around 12-13 weeks. Please note this can vary by local authority. Before applying for permission you will need to decide upon what type of glamping accommodation and services buildings you would like to have on site. Once planning has been approved then you will need to struct your chosen manufacturer to begin the process of creating your huts/pods. This could add weeks if not months to your schedule depending upon the style chosen. If your aim is to be an outstanding glamping destination, then your accommodation needs to be of the highest possible standards. Whilst this will be your most significant investment this is what will drive your ROI. We'll show you some examples of the returns later in this article. Financing your huts/pods will help ease the cash requirement on you also making this one of the easiest parts of your venture.

GETTING TO THE CRUCIAL POINT, HOW MUCH CAN YOU EARN FROM A HUT?

There is no hard and fast rule as many factors contribute to the calculation such as, what hut type you offer, your on-site service, local attractions, and competition in your area. We believe that you could potentially generate up to £36,000 per hut per year. Our most luxurious huts often will demand between £180 - £250 a night, typically with a minimum stay of 3 nights. Based on an occupancy of just 200 nights per year, less than 55% at the lower nightly fee the figure above would be achieved. With our luxurious huts starting from only £32,995 plus your initial groundworks on site it is possible to break even in just over 12 months or sooner. With a hut which has a life expectancy of over 20 years if well maintained this proves to be an excellent investment opportunity.



If you're looking to cater to a wider audience then the mid size huts can be marketed for between £120 - £160 a night. Using the same assumed occupancy figures at the lower nightly rate you could be generating £24,000 within 12 months. With an initial investment starting at £24,995 you will be looking to break even within 18 months. The market for mid size huts is a little more competitive so location is everything.

TAKE YOUR FIRST STEP TOWARDS YOUR NEW VENTURE

If you'd like to understand how we could assist you in planning your glamping venture then please get in touch with one of the team who will be happy to discuss your individual requirements.

