

▶ GAMER'S BOOK

Microsoft & Teamsquare contest



BUILD

2012

your Island

Round 1



Microsoft®
Project 2010



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1 General presentation

Here is the time to begin your project design! Remember, you have a budget of 100 million euros. If you overpass it, all of your expenditures will appear in the field “*Loan*” in your Running Block. Do not forget that if you decide to take out a loan, you will have to pay interests!

In this first decision step, you will choose:

- The **geographic localization and place** of your resort;
- The **general structure** of your hotel;
- The number of **rooms and suites** in your hotel.



Remember to analyze regularly your running indicators and to estimate a realistic filling rate!

To help you in your choices, notice an intermediary running block is present inside each part of your form. It synthesizes your costs, bonus/malus on strategic axes (*Brand Image* and *Ecology*) and on the secondary axis (*Service*).



Effects			
Costs	Ecology mark	Brand image mark	Service mark
18 255 000 €	56	40	-16

Reminder of the deadline: Thursday 18th of October, 6pm.

A **Health Report** of your project compared to the other ones’ will be given every morning. Do not forget to analyze it carefully to correct your strategy all along Round I!

Through this document, you will be guided path to path to take the “good decisions” in each one of the three first categories: **Geographic Location, General Structure, Rooms**. As you understood, during the first round you enter into the **building plan of your resort** phase!

Good luck to all of you!

2 Geographic Location

The first step of your plan is to choose the geographic area where you want to implement your resort hotel. To do so, you have the choice between three geographic locations:

- **Emerald Gardens;**
- **Pink Lagoons;**
- **Coralian Realms.**



These three areas represent the new ‘Tourism Triad’ and are all different in terms of customers, taxes and m² price.

It is you to choose the area better adapted to your strategy and your target!

Specifications						
Geographic region						
Coralian Realms ▼						
Results						
Low Income	Medium Income	High Income	Jet-Set	m ² price	Taxes	
30 %	35 %	25 %	10 %	825 €	25 %	

Specifications						
Geographic region						
Emerald Gardens ▼						
Results						
Low Income	Medium Income	High Income	Jet-Set	m ² price	Taxes	
20 %	25 %	40 %	15 %	1 050 €	35 %	

Specifications						
Geographic region						
Pink Lagoon ▼						
Results						
Low Income	Medium Income	High Income	Jet-Set	m ² price	Taxes	
40 %	40 %	15 %	5 %	900 €	30 %	

Tip: to help you making your choice, please find the 'Geographic Location Matrix' in annex 1.

2.1 Tourists' profiles

According to its incomes, each customer segment is more or less sensitive to the following variables:

- **Price:** it is a discriminative variable. Low and medium Incomes are very sensitive to it;
- **Quality/price ratio:** essentially important for low and medium incomes;
- **Brand image:** its impact increases with customers' purchasing power. Therefore this variable is essential for the "Jet-set";
- **Marketing:** identical impact for all the segments.

It is your role to choose the geographic location according to your main targets! Here are the four customer segments you will be facing in each area:

- **Low income segment:** customers with a low purchasing power;
- **Medium income segment:** customers with an intermediary purchasing power;
- **High income segment:** customers with a high purchasing power;
- **Jet-Set:** financial and political worldwide elite with an unlimited purchasing power.

⇒ **EXAMPLE:** The "Emerald Gardens" area essentially attract high purchasing power tourists (High Income: 40%; Jet-Set: 15%) whereas the "Pink Lagoons" area is mostly frequented by customers having a lower purchasing power.

- ⇒ **EXAMPLE 2:** for a Low income customer, rooms' price is extremely important (50% of important in his choice). It is twice more important than your marketing strategy (25%) or your brand image.

Tip: in this part you also define the number of rooms and suites you want to create in your hotel. Thus, you have to know that superior classes (High income and Jet-Set) are mostly looking for suites, whereas inferior classes (Low & Medium income) are exclusively interested in rooms.



2.2 M² price (ext.)

It is the **m² price** used in the geographic area you chose. This price is important, you must not consider it slightly. It is an indirect cost. These kinds of costs are treacherous because their impact is not immediately visible.

The m² price will be used only when you will choose your hotel **ground surface**. A lot of factors are influencing this m² price, and numerous buildings need a ground surface more or less important. Therefore, this m² price will depend on your hotel **size**.

2.3 Taxes

As all companies, your hotel is **liable to tax**. So, the field "Taxes" represents the companies' tax rate in force in the area you chose. This rate is utilized to calculate your products. Higher is the tax rate, harder it is to reach an important profitability (ROI).

$$\text{PRODUITS after taxes} = \text{PRODUITS before taxes} * (1 - \text{Taxes})$$

3 General Structure

The second step of your construction plan is the **exterior appearance of your hotel**. You choose the **kind of island**, the **architectural shape** of your resort, the **quality of its exterior design**, its **ground surface**, its **number of floors** and the **materials used** in its construction.



3.1 Island Choice



Type: four choices list

Description: You just chose you geographic location. You still have to **determine your hotel position** in this area. **Four kind of islands** are available:

- **Tropical Island;**
- **Coralian Island;**
- **Virgin Island;**
- **Paradise Lost.**

These islands have as well **advantages as disadvantages**: some are very classical whereas other are extremely rare and prestigious. Moreover, each island uses a **specific m² price** adding to the m² price imposed by the area you chose.



Building duration: farther away your island is in the ocean (*Virgin Island, Paradise Lost*), stronger is its attractivity; but **longer will it take to your construction site to start** (transportation of your personal to the island, of materials, resources, etc.). This duration is saved in the task *Dig Ocean Floor* and enters in the calculation of your **Building Duration**.

Tip: to help you, please find the “Island Choice Matrix” in annex 2. Make the better choices to maximize your strategic axes of reputation and ecology, but also to reduce your costs and your building duration!



3.2 Structure



Type: four choices list



Description: you now are able to choose your hotel structure: **its architectural shape**. It may be:

- A **campus club**;
- An **exotic village** lost in the middle of the ocean;
- A five stars **palace**;
- A **floating city**.



Building duration: according to your choice your architects will need more or less time to construct your plans. The **number of days necessary** to the construction of plans is saved in the task *Architectural Plan*.

Tip: to help you, please find the ‘Structure Matrix’ in annex 3.



3.3 Exterior Design



Type: four choices list



Description: You may also ask to your architects to ripen the exterior design of your resort. It will increase your hotel reputation.



Temps de construction: works relative to the exterior architecture begin from the validation of plans designed by your architects. The number of working days **depends on the size of your hotel**. This duration is saved in the task *Exterior Building* and contributes to the calculation of your global duration.

Tip: to help you, please refer to annex 4 “Exterior Design Matrix”.



3.4 Ground Surface



Type: Free field to fill with a positive integer.



Description: time comes for you to define the **exterior surface** on which your hotel will be built. Bigger is this surface, more rooms and suites you will be able to create inside your *living space*. The costs of this surface are defined by the **exterior m² price used on your island and in your geographic area**.



Building duration: The ground surface of your hotel is saved in the task *Exterior Building* duration.

Warning: construction norms impose you to build a minimum ground surface of 500m² and maximum 6000m²!

3.5 Number of Floors



Type: Free field to fill with a positive integer.



Description: here, you have to choose the **number of floors** you want to create. This number is utilized to calculate the *Living Space* which will define automatically the number of rooms' maximum you will be able to build. More you have floors, more you can create rooms and suites, but longer will last your hotel construction.

Warning: seashore norms forbid you to build a hotel of more than 10 floors! To the contrary, your hotel needs at least 1 floor (it corresponds to the ground floor).

3.6 Materials



Type: Free fields to fill with positive percentages (sum must be equal to 100%).



Description: you can choose which materials to use in your hotel construction. **Four materials** are at your disposal:

- **Concrete;**
- **Wood;**
- **Stone;**
- **Marble.**

You can combine these materials as you want to. Their price, properties and nobility differentiate them. Some of them, like marble, are bringing prestige to your hotel. Other ones, like concrete, are more rustics but will enable you to make savings.

The sum of the ratios must be equal to **100%**, and only positive ones are accepted.

Tip: to help you, please refer to annex 5 "Materials Matrix".



3.7 Technical running indicators

Living Space:



Type: Indicator.



Description: Your *Living Space* represents the interior volume of your hotel. It corresponds to the ground surface multiplied by the number of floors of your hotel. This living space is utilized to determine the number of rooms and suites you will be able to create in your hotel.

M² Price (ext.):



Type: Indicator.



Description: this field automatically gives you this actual exterior m² price. It is equal to the m² price used in your geographic location and the m² price of the kind of island you chose.

⇒ **EXAMPLE:** you chose the Emerald Gardens area and the kind of island Paradise Losts. The m² price (ext.) is equal to 1050+1840= 2890 €/m².

M² Price (int.):



Type: Indicator.



Description: this field gives you the cost generated by the construction on a square meter inside your hotel. It is equal to the indirect cost per m² generated by your materials choices.

⇒ **EXAMPLE:** You chose to use the same materials in the same proportions as the previous example. The field *m² Price (int.)* will display 1500 €/m².

Building Costs:



Type: Indicator.



Description: it is the sum of all the direct costs cumulated in the category *General Structure* (structure choice, exterior design).

⇒ **EXAMPLE:** You chose to construct an *Outstanding Palace*. Therefore, the field *Building Costs* is equal to 27.600.000 € (16.200.000+11.400.000).

4 ROOMS



The third step of the construction plan allows you to define the characteristics of your rooms and suites. Depending on the size chosen for your hotel, you will have more or less space to build your rooms and your suites.

Tip: the surface that you allocate to your rooms plays on the comfort of your hotel and its brand image. Bigger is the surface of your rooms, greater your hotel is attractive! However, it decreases the number of rooms available each night for your customers.



Through this last stage of Round 1, you will also determine the quality of the furniture installed in your rooms, and the price per night of your rooms and suites.

4.1 Room Surface



Type: list of five possibilities.



Description: You choose the surface (in square meters) you want to assign to each of your rooms. You can choose the size of your rooms from 20m² to 75m².

Tip: bigger is the surface of your rooms, more your hotel appears comfortable and prestigious in the eyes of clients. In contrast, the more your rooms are large, the less you can create. It is you to make the right decision!



You will notice that the choice of an important chamber surface does not birth to new costs. It is a free choice that can bring greater satisfaction to your customers.

- ⇒ **EXAMPLE:** You have a living surface of 5000 m². You choose a room surface of 20m². You then have a capacity of 250 rooms per night. However, if your room surface is of 40m², you will have a capacity of 125 rooms per night.

4.2 Number of Rooms



Type: Free field for a positive integer.



Description: Build Your Island's team determines for you the **maximum number of rooms** you can create in your living space after subtraction of suites surface.

- ⇒ **EXAMPLE:** You have a living space of 5000 m². You have chosen to build 20 suites and assign a surface of 50 m² per room. The area devoted to suites is $20 * 75 = 1500$ m². This field will then calculate the automatic creation of $3500/50 = 70$ rooms, which is the maximum possible given the configuration.

4.3 Furniture Quality Room



Type: List of four possibilities.



Description: At this stage, you will begin to define the quality of the furniture of your room. You have a choice of four qualities of furniture:

- **Poor;**
- **Medium;**
- **Superior;**
- **Outstanding.**

The costs involved in the furniture are direct and depend on the inner surface to develop. However, bonuses are fixed and do not depend on the number of rooms or space inside cover. The room facilities will begin when the walls have been installed and will extend over a period that depends on the area to be developed. This time will be recorded in the task Furniture and will be taken into account in the calculation of your building duration!

Tip: To help you in your choice, you will find in Annex 6 the "Furniture Matrix."



4.4 Price per night Rooms



Type: Free field for a positive integer.



Description: Enter in this field the **price of your room** per night in euros. This price must be between **50€ and 1400€**.

4.5 Suite Surface



Type: Indicator.



Description: A suite must always have a surface of 75m².

Warning: depending on the purchasing power of your target, it will be more or less sensitive to suites!

4.6 Number of Suites



Type: Free field for a positive integer.



Description: You choose the number of suites you want to build in your hotel.

Warning: depending on the living space of your hotel, the number of suites authorized changes! More your living space is important, the more you can build suites...

4.7 Furniture Quality Suites



Type: Indicator.



Description: Very high quality furniture (outstanding) is imposed on you for your suites.

Suites answer to the demand of *High* and *Jet-Set* segment, which is why the quality of your interior must be perfect!

4.8 Price per night Suites



Type: Free field for a positive integer.



Description: Enter in this field the price of your suite per night in euros. This price must be between € 500 and € 4,000.

Warning: think carefully about your pricing strategy because it allows you to increase the profitability of your hotel and its attractiveness to the targets!



Stay realistic about setting the price of your room and suites. Keep in mind two important and essential things to the success of your project:

- Your pricing strategy has a direct impact on all segments, albeit with a **greater impact on the lower classes** (low & medium).
- The "perfect price" does not exist: **the attractiveness of your prices depends exclusively on the choices of your competitors!** Then you have to successfully anticipate their choices to offer the most attractive offer.



5 End of the Round

To gain access to the next round and start the development plan of your complex, it is important to respect the deadline for registering your project. It is set at **Thursday, October 18th at 6pm!**

Tip: do not forget that health report of your project is published every morning at 8am! It is essential to refine your strategy until the end of the round. You are not satisfied with your choice of Round 1? Do not panic, you will be able to review and optimize your choices throughout Round 2!



Projected score	11 575
ROI	167.22 %
Brand	78.55 %
Ecology	82.88 %
Service	75.52 %
Marketing	0 %
Duration	0
Launching cost	92 300 630 €
Budget	7 699 370 €
Loan	0 €
Products	488 643 750 €
Charges	182 860 530 €
Risk	0 %

Score				
	Margaux	Average	Maximum	Minimum
Projections Report				
Project Score	6218	2999	6479	0
ROI	113.37%	-11.07%	113.37%	-100%
Score Brand Image	77.32%	75.21%	88.03%	64.11%
Score Ecology	83.29%	68%	84.68%	38.62%
Characteristic Scores				
Score Service	76.4%	57.65%	84.18%	0%
Score Marketing Strategy	67.07%	39.77%	83.55%	0%
Number of Rooms	1213	704	1485	158
Number of Suites	10	24	70	4
Price per Night - Rooms	300	349	600	150
Price per Night - Suites	3000	1436	3000	350
Attractivity				
Filling Rate - Rooms	100%	53%	100%	0%
Attractivity on Low inc. segment	100.00%	51.56%	100.00%	0.00%
Attractivity on Med inc. segment	100.00%	53.92%	100.00%	0.00%
Filling Rate - Suites	97%	71%	100%	0%
Attractivity on High inc. segment	99.52%	71.36%	100.00%	0.00%
Attractivity on Jet-Set segment	92.29%	70.33%	100.00%	0.00%
REAL FILLING RATE	100%	56%	100%	0%
Faisability				
Expected Building Duration	1000	462	1000	0
Real Building Duration	678	763	1040	480
Accuracy Score multiplier	53%	44%	100%	0%
Financial Results				
PRODUCTS after taxes	338 066 833 €	112 942 270 €	338 066 833 €	0 €
CHARGES	158 439 810 €	108 792 540 €	158 439 810 €	56 079 010 €

6 Annexes

6.1 Geographic Location

6.1.1 Annex 1: Areas distribution

Areas	Low income	Medium inc.	High inc.	Jet-Set	m ² price (ext.)	Taxes	Task name	Task Duration
Coralian Realms	30%	35%	25%	10%	825	25%	None	0
Emerald Gardens	20%	25%	40%	15%	1050	35%		0
Pink Lagoon	40%	40%	15%	5%	900	30%		0

6.1.2 Annex 2: interests per area

Impacts per segment	Low income	Medium inc.	High income	Jet-Set
Prix	50%	50%	33%	33%
Rapport Q/P	20%	12,5%	11,5%	16,5%
Brand Image	2,5%	5%	11,5%	13%
Service	2,5%	7,5%	10%	3,5%
Marketing	25%	25%	33%	33%

6.2 General Structure

6.2.1 Annex 3: Island Choice Matrix

ISLAND CHOICE	m ² price (ext.)	Brand Bonus	Ecology Bonus	Task name	Task Duration
Tropical Island	380	+5	+12	Dig Ocean Floor	10
Coralian Island	936	+12	+30		20
Virgin Island	1620	+40	+25		30
Paradise Lost	1840	+30	+50		40

⇒ **EXAMPLE:** You have decided to settle in the region of Pink Lagoon (Price per square meter outdoor = € 900). You then choose the Virgin Island. This island makes you get a bonus of 40 points in Brand image and 25 points in Ecology. Your installation on the island will take some time, however, and your partners plan 40 days of work. This time will be listed in the task Dig Ocean Floor and taken into account in the calculation of your Building Duration. No direct costs will be supported, but each square meter will be created on the island will cost € 900 + € 1620 = € 2520.

6.2.2 Annex 4: Structure Matrix

STRUCTURE	Direct Costs	Brand Bonus	Ecology Bonus	Task name	Task Duration
Campus	4 200 000	+5	+14	Architectural plans	80
Exotic Village	9 800 000	+10	+35		120
Palace	16 200 000	+40	+25		160
Floating City	20 400 000	+30	+60		180

6.2.3 Annex 4: Exterior Design Matrix

EXTERIOR DESIGN	Direct Costs	Brand Bonus	Service Bonus	Task name	Task Duration
Poor	700 000	5	0	Exterior Building	15*Living Space/40000 + GS/20
Medium	1 540 000	11	0		35*Living Space/40000 + GS/20
Superior	7 300 000	35	40		50*Living Space/40000 + GS/20
Outstanding	11 400 000	60	50		70*Living Space/40000 + GS/20

GS = Ground Surface

6.2.4 Annex 5: Materials Matrix

MATERIALS	Proportions	m ² price (Int.)	Brand Bonus	Ecology Bonus	Service Bonus	Task name	Task Duration
Concrete	P(%)	P(%)*(2 000 000)/LS	0	P(%)*(-40)	P(%)*(-40)	None	0
Wood	P(%)	P(%)*(10 400 000)/LS	0	P(%)*40	P(%)*20		0
Stone	P(%)	P(%)*(7 600 000)/LS	0	P(%)*20	P(%)*30		0
Marble	P(%)	P(%)*(27 600 000)/LS	P(%)*70	P(%)*40	0		0

⇒ **EXAMPLE :** Your living space is 10,000 m². You choose to build your hotel in the following proportions: 30% marble stone 20% and 50% wood. All you have to do is to notify such proportions in the free fields dedicated to this purpose. In this case, you will receive a bonus of 21 points Branding (= 30% * 70), 36 points in Ecology (= 30% * 40% * 20% * 20 50 40) and 16 Service points (20% * 30% * 50 20) for an indirect cost of € 1500 per square meter (= 30% * 20% * 2760 760 50% * 1040). The sum of the proportions must necessarily be equal to 100%, and only positive proportions are accepted.

6.3 Rooms

6.3.1 Annex 6: Room Surface Matrix

ROOM SURFACE	Direct costs	Brand Bonus	Service Bonus	Task name	Task Duration
20	0	(-20)*X	(-15)*X	None	0
30	0	30*X	30*X		0
40	0	50*X	60*X		0
50	0	80*X	100*X		0
75	0	150*X	200*X		0

$$X = (\text{Number of Rooms} * \text{Rooms Surface}) / \text{Living Space}$$

The size of these bonuses depends not only on the choice of the surface of bedrooms, but also of the relationship between the number of rooms and the number of suites available in your hotel (report represented by the variable X). More you create rooms, the more bonuses related to their surface will be strong.

6.3.2 Annex 7: Furniture Matrix

FURNITURES	Indirect Costs	Brand Bonus	Service Bonus	Task name	Task Duration
Poor	8*X*LS	(-20)*X	(-20)*X	Furniture	10*Living Space/30000
Medium	115*X*LS	10*X	15*X		20*Living Space/30000
Superior	385*X*LS	40*X	35*X		40*Living Space/30000
Outstanding	710*X*LS	80*X	50*X		80*Living Space/30000