FINAL MASTER THESIS

ARENA DORADA SENIOR LUXURY VILLAGE

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Group: 1

Universidad Rey Juan Carlos I

Year: 2018 / 2019
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THE TEAM

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Executive summary

Arena Dorada Senior Village is an extravagant and luxurious retirement home situated in an ideal atmosphere in the selective and exclusive community of Maspalomas in the radiant Canary Island, Spain. Our seniors will encounter charming states of a seaside and littoral life. Intended to draw in dynamic and independent living for elders; offering the finest and the highest quality administration that join the solaces of home with individual consideration, and customized activities. Arena Dorada is a superior substitute in contrast to the ordinarily larger seniors living, as it will offer a greater level of care in a smaller yet rich, customized and an impressive village of 20 lavish homes with a capacity to accommodate up to 45 individuals.

Arena Dorada grants assistance to seniors in their quotidian activities which incorporate an aid with prescriptions, suppers, physical therapy, and so forth. While additionally offering a chance to recreation, bonding, and deluxe events which empower the niche residents of the village to encounter satisfaction. An objective of Arena Dorada is to support seniors with residential care; yet, giving them the best of the world that they are living in—a private home condition that opens new life openings is what we offer.

The undertaking’s target segment speaks to a niche class of individuals over 55 years of age, regardless of gender or sexual orientation. Arena Dorada will begin its activity with an occupancy level of 15% estimated visitors, expanding to an aggregate of 85% inhabitance before the end of the main year; Which is an occupancy level that enables the business to be productive and very much profitable. Plans for future extension incorporate redesign of the facility in order to increase the size, just as the likelihood of opening a second facility in a different country.

Our objective is to give astounding short and long term comforts to the pensioners, to make them feel at home, a home where they could start a new fulfilling life. Our real intention is to change the world’s vision on seniors, what they can do, and how moving and inspiring they can be.
PRESENTATION: The Company

Vision
Change the society’s perception of elderly, making the world a better place for living the golden years.

Mission
Being a luxury retirement home that improve senior’s life quality, providing personalized services and activities and empowering them to actively live their life as engaged citizens.
Provide the possibility to share the accumulated wisdom of our clients and members interactively to benefit the larger community. Allow our members to play an essential and strategic role in the society.

Values
We Put People First.
We regard every one of those we serve—associates, inhabitants, family, and most importantly our community—and let them realize that they matter. Our goal is to create an environment that cherishes development, growth, empowerment, and strength. Recognition and commitments make up essential keys in our corporate culture. We help one another, because a family is what we are and stand for.

We Act With Integrity.
We set up a domain of trust and propel, move, and inspire one another to achieve greatness. We set a standard of genuineness, honesty and bluntness in our day by day words and activities and treat individuals with decency, sympathy, and mostly RESPECT. We trust you, to trust us.

We Mind the Business.
We expand upon a strong monetary base, cautiously oversee our tangible as well as our non-tangible resources, and make an interpretation of primary concern results into stunningly better occupational care. We devote our finances into our kin and structures to cultivate development and guarantee long haul achievement.

We Listen—Then Act Decisively.
We are all ears for you, search and obtain the needed facts and tune in to other people—transparently, cautiously and deferentially. We settle on even the most troublesome choices in a convenient way.

**We Work to Be Our Best.**

We endeavour to be our best, each day, and in all kinds of circumstances. We continually enhance our insight, frameworks, and abilities and hold each other to uncompromising principles of value. We would go the extra mile to provide you with the community that attains perfection.

**Product Description**

Arena Dorada Senior Village is a luxury retirement home located in the exclusive community of Maspalomas in the sunny Canary Island, Spain. Designed to engage active and independent living for seniors we offer the finest and the highest quality service that combine the comforts of home with personal care and personalized activities. Over and above long term stay we offer seasonal/short term stays.

Each member will choose between 20 independent houses, based on availability. We propose three categories of luxury houses with fully equipped kitchen, terrace access, dining and living area and several bedrooms. Each villa has a private swimming pool, heated pool house, garage and a private garden with barbecue.

Along the 20 luxury villas there are common areas to meet the needs of the residents. A full general daily program of activities and services will be accompanied by an individualized program and assistance.

Among our services and amenities, we offer:

- Chapel and in-house religious services
- Shopping trips, organized trips all over the Canary Islands
- Intergenerational programs
- Volunteer opportunities
- Partnership with University
- Laundry and housekeeping
- Beauty salon/ barber shop/ spa
- In-house movie theatre
- Health, fitness and wellness activities
- Regularly scheduled trips to cultural areas and sporting events.
• Restaurant, with special diets (low sugar/salt option, diabetics, celiac, etc.), beverage and snacks all day
• Happy hour
• In-house doctor visits, 24 hours a day access to medical personnel
• Alzheimer’s care prevention
• Host weekly community events including farmers markets, craft fairs, etc. to ensure a strong connection to both local merchants and local residential population

Our calendar of activities includes also:

• Dancing party
• Billiards, table tennis, card and game room, golf, hiking, swimming, dance, yoga, sailing, polo, cricket
• Book, chess, dominos, latino, painting and writing club
• Musical memories
• Needle arts

Our luxury service is provided by high professional team: our caregivers will pass a background security check and a periodic system will assure continuous service evaluation, community input and periodic spot checks. The number of personnel will be proportional to the occupancy level of the facility.

**Target market**

According to UN report, the global population aged 60 years or over literally doubled compared to 1980. In 2017 aged people were 962 million, while in 1980 382 million worldwide. These numbers are going to increase in these year and estimation forecast that by 2050 the old population will reach 2.1 billion.

In 2050, older people are expected to account for 35 per cent of the population in Europe.

Most people aged 65 or over live at home, either with a spouse or alone. In fact, according to research by the American Association of Retired Persons (AARP) nearly 90% of seniors wish to continue to live independently by staying in their own homes and communities.

In addition to physical ailments many seniors, particularly those living without a spouse or family in the vicinity, have a need for companionship. According to a study by the University of California there is a strong link between loneliness and serious health
problems and death in the elderly. The lack of social interaction could badly affect even seniors that are physically healthy.

Arena Dorada will fulfill this feeling of emptiness, loneliness, not integration in the society. Our luxury village is basically designed for engaged, dynamic and active people in their golden age. Our facilities are not expected to accommodate people with medical conditions such as autism, intellectual disability, chronic or long-term mental/psychiatric disorder, or physical or even multiple disabilities. At Arena Dorada, independent living doesn’t mean living alone: we offer a variety of programs and dynamics activities that everyday our guests will be as busy as they prefer to be.

**Analytical Phase**

In this section it is going to be analysed the location environment in which our business is going to growth, the market demand and offer, the industry and the threats and opportunities in order to show the feasibility of the business as well as to deeply understand the weaknesses and strengths it needs to mitigate and have (respectively) to succeed.

**Environmental Analysis**

Canary Islands is a Spanish archipelago located in the Atlantic Ocean 100 kilometres far from the South coast of Morocco. It is composed by seven islands: Tenerife and Gran Canary (the main and biggest two islands), Fuerteventura, Lanzarote , La Palma, La Gomera, El Hierro.

The Islands have an extension of 7,447 km\(^1\) characterized by an high density in terms of population and these figures are increasing in the last years.

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Figure 1. Canary Islands geographic map

Arena Dorada business is located into San Fernando de Maspalomas, at San Bartolomé de Tiraja municipality into the Gran Canaria island, close to the Playa de Meloneras.

Figure 2. Arena Dorada location Google Maps
**Pestle**

Political Factors

![Canary Islands flag](image)

**Figure 3. Canary Islands flag**

As a part of the Spanish territory, Canary Islands are subjected to Spanish law and government however as an autonomous community the main government is the regional one.

Currently in Spain, the political situation can be described as instable. The classical two-party predominance collapsed in 2014, after the financial crisis and all the corruption scandals devastated the political landscape. The current president of Spain is Pedro Sanchez, the representatant of the Social Party (PSOE). He has been elected by the members of the congress representing most of the Spanish population when the previous president, Mariano Rajoy from Popular Party (PP) was censured (the first motion of censure in all Spanish history) due to several corruption cases in his party.

However, it must be remarked that due to the location of the Canary Islands and the distance from Spain, they have been historically pretty independent from the Spanish politics. The Statute of Autonomy of the Canary Islands (approved by Organic Law 10/1982, of August 10, reformed by Organic Law 4/1996, of December 30) is the institutional norm that constitutes the Autonomous Community of the Canary Islands, providing it with its framework organizational and functional basic. The main headquarters of the Government of the Canary Islands is in both Santa Cruz de Tenerife and Las Palmas de Gran Canaria. The current president is Fernando Clavijo Battle from Coalición Canaria.

The Canary Islands Government (eleven members) is composed of the President, the Vice President and the Councilors. Under the superior direction of the President of the
Government of the Canary Islands and within the limits of the Statute of Autonomy, the Administration of the Autonomous Community is organized in Councils. Each of the Councils will be responsible for the management of the services of certain areas of public action proper to the competence of the community.

The 2019 Canarian regional elections were scheduled to be held on Sunday, 26 May 2019, and elect the 10th Parliament of the Autonomous Community of the Canary Islands. The exit poll reflects as a first party the PSOE followed the Canarian coalition (CCa-PNC).

The Canary Islands (along with the Balearic Islands) have an extra tier of government at island level (cabildos). These island councils have taken on an increasing range of responsibilities that were previously the preserve of regional government. Since the early 1980s, regional governments have been empowered to pass laws and govern in an ever-increasing number of areas, including regional economic development tourism, infrastructure, urban and territorial planning, cultural affairs and the environment (Canel, 1994). The current president of Gran Canaria cabildo is Antonio Morales Méndez from Nuevas Canarias party.

The islands are further divided into 77 municipios (municipalities), 21 of which are located in Gran Canaria. An alcalde (mayor) heads up each of these Canarian municipios. The major of San Bartolomé de Tiraja is Marco Aurelio Pérez from Popular Party (PP).

Since Spain joined the EU in 1986, the Canarian archipelago has had a differentiated treatment that has evolved to date, allowing the legal guarantees that recognize the Canarian singularities in the context of the European Union to be strengthened. The incorporation of article 299.2 in the Treaty of Amsterdam, which entered into force in May 1999, means, for the first time, the recognition of the Primary Law and a legal basis is consolidated in favor of the Outermost Regions (RUP) solid and stable for the establishment of a differentiated treatment in their favor.

The main political parties with representation in the Canary Parliament are:

- Canarian Coalition (CC), nationalists, insularists and conservative left-side. It governs the Autonomous Community of the Canary Islands uninterrupted since 1993. In its almost 25 years of mandate its main political position has been to achieve greater autonomy within the Spanish State without having to renounce to it.

- Canarian nationalist party (PNC), defends greater competences within the Spanish autonomous framework. Currently in the government together with CC.
- Canarian Social Party (PSOE – PSC) is the PSOE of Canary Islands, conservative left-side and socialist.
- Popular Party (PP), conservative right-side.
- We Can (Podemos), left-side party defending the egalitarianism or the defense of equal opportunities and the distribution of wealth as a way to tackle the serious social inequalities derived from capitalism and the economic crisis. Also related to communism, social democracy, participatory democracy and republicanism.
- New Canary, centre-left nationalist party.
- Gomera Socialist Group (ASG), insularist centre-left political party based in La Gomera island.
- Independent Herreña Group (AHI), insularist Spanish political party of the island of El Hierro.

![Figure 4. Canary Islands political landscape](image)

<table>
<thead>
<tr>
<th>Parties and coalitions</th>
<th>Island constituencies</th>
<th>Regional constituency</th>
<th>Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spanish Socialist Workers’ Party (PSOE)</td>
<td>257,642</td>
<td>28.85</td>
<td>25</td>
</tr>
<tr>
<td>Canarian Coalition–Canarian Nationalist Party–Unified (CCa–PNC)</td>
<td>194,846</td>
<td>21.82</td>
<td>20</td>
</tr>
<tr>
<td>People’s Party (PP)</td>
<td>135,573</td>
<td>15.18</td>
<td>11</td>
</tr>
<tr>
<td>New Canaries (NCa)</td>
<td>80,592</td>
<td>9.03</td>
<td>5</td>
</tr>
<tr>
<td>Yes We Can Canaries (Podemos–SSP–4Gox)</td>
<td>78,168</td>
<td>8.75</td>
<td>4</td>
</tr>
<tr>
<td>Citizens–Party of the Citizenry (Cs)</td>
<td>65,839</td>
<td>7.37</td>
<td>2</td>
</tr>
</tbody>
</table>

![Figure 5. Canary Island election May 2019](image)
Economic Factors

In 2016, the gross domestic product (GDP) of the Canary Islands was €42.5bn, doubling the numbers in the late 90s and making it the eighth Spanish economy (Eurostat, 2018). At a slower rate, the GDP in purchasing power standard (PPS) per inhabitant has been growing till 22,000 in 2016, staying below the national and EU average, 26,700 and 29,200, respectively (Eurostat, 2018).

![GDP Canary Islands](image)

**Figure 6. Canary Island GDP evolution²**

In Canary Islands the composition of the Gross Value Add (GVA) is made by the primary sector with 1.3%, industry and construction respectively account for 11.3% and 5.1% of the total, while services are responsible for the 82.3% (European Commission, 2018) ³.

While in the past the islands were well known as an agricultural society, nowadays the primary sector scarcely has any weight. The main production is characterized by Banana, tomato cucumber and tobacco, the last one is destined mainly for exporting.

In recent years the cultivation of flowers and plants for export has also developed into a flourishing industry. Farming and forestry are even less important. The industry and

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construction are not really relevant in the economy of Canary Islands, although the latter is acquiring more importance in these years of recovery from the crisis. Therefore, the economy of Canary Islands is mainly based on the service sector, especially in those activities related to tourism (Instituto Canario de Estadística, ISTAC).

In 2017, the unemployment rate in Canary Islands was 23.5%. There has been an improvement in the last years yet it is rather above the national and EU averages of 17.2% and 7.6%, respectively.

The Canary business network consists largely of freelances and SMEs. The perception of low risk, the weighty bureaucracy and the low production affect the regional entrepreneurs.

Nonetheless, the general economic expectations for the Canary Islands are pretty positive. The GDP is forecasted to continuous growth and it will be accompanied by an increase in job opportunities, expansion or flourish of new business. All of this is also possible thanks to the presence in the islands of an association called in Spanish acronym SODECAN that actively support the development of the Canarian economy. SODECAN can hold a minority stake in the capital of a company (between 5 and 45%) on a temporary basis until the company or its expansion project has become established, with the period ranging from four to five years in most cases. (Gobierno de Espana, 2018)

The Canary Islands present a wide range of possibilities also due to its strategic geographical location, its special fiscal regime and a labour market characterized by high skilled workers.

On the other hand while the archipelago deeply rely on the particular geographic location especially in terms of tourism and service sector, it suffers from a fragile innovative and technological environment.

Those important factors such as the insularity, the distance from the European continent and the lack of raw materials constitute important disadvantages for the development of the Canary’s economy. With the purpose to balance these drawbacks, the Canary Islands

enjoy a special economic and fiscal regime with special regulations about the VAT or its free zone area.

The Canary Islands Special Zone (ZEC) is a low tax zone created for the promotion of the economic and social development of the Islands and to develop and diversify their production structure. The European Commission in January 2000 officially recognised the ZEC and it is regulated in the Law number 19/94 of the 6th of July, 1994. In general terms, it is applicable to any entity or branch which intends to carry out an industrial, commercial or service activity included in the list of authorized activities.

ZEC Entities are subject to the Corporate Income Tax in force in Spain, at the reduced rate of 4% among other fiscal advantages such as income Tax Nonresident (IRNR) exemption, Property Transfer Tax and Stamp Duty (ITP-AJD) exemption, Canary Islands General Indirect Tax (IGIC) exemption and compatible with other REF tax incentives.

Investors that are interested in the setting of any project in the ZEC are required to obtain an official authorization from the Consortium Board of the ZEC to become a ZEC Entity.

**Social Factors**

The Canary Islands archipelago is the most populated area between the outermost regions of Europe. Gran Canaria is the second most populous of the Canary Islands. As of 2017 the island had a population of 857,702 thousand that constitutes approximately 40% of the population of the archipelago and 4.6% of the total population in Spain (Eurostat, 2018).

According to "Centro de Investigaciones Sociológicas" (Sociological Research Center) in 2017, the most popular choice was of those who feel equally Spanish and Canarian, with 49.9% followed by part of the Canrian islands citizens (43.5%) that feels more Canarian than Spanish (37.6%).

Migration trends have transformed over recent decades, meaning that the Canary Islands have ceased to be a land of emigration and have become an important immigration destination at the southern limit of the European Union. Migration was much stronger in the 2000s, before the crisis and the share of foreign-born population

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is 20%. Recently, there has been high population mobility at all scales: external and internal, permanent, temporary or circular. This mobility has impacted Canary Islands society in various ways. It has been the principal cause of population growth, although unevenly distributed throughout the region.

Population density is quite high in Gran Canaria, 550.5 inhabitants per square kilometre (Eurostat 2018). Total population growth rate is much higher than natural growth, thanks to positive net migration. Canarias have an ageing population: people 65 years and over make up 13.3% of the population, and young people under 15 years make up 14.9%, the lowest of all ORs. The old age dependency ratio, 18%, is below UE (25%) as well as Spain (24%) averages.

Low fertility, reduction and delay in marriage, as well as high divorce rates are decisive factors in the growth of demand in housing (for permanent residency). Another aspect which must not be overlooked is demand from outside the region. It is likely that demand for housing from citizens of other EU countries will start to increase again more quickly than local demand.

The education system in the Canary Islands is less efficient than in Spain as a whole. This becomes evident from numerous indicators, such as the rates of people having obtained the compulsory education certificate (ISCED 2), the post-compulsory education certificate (ISCED 3) and higher education certificates (ISCED 5A, 5B and 6).

Education in the Canary Islands is obligatory for children below the age of 16 (gobiernodecanarias.org, 2010), which is a free for this aged population. Primary education is compulsory, however the rate of school leavers is 35% of the population between age 18 and 24, which might be caused the inefficient share of knowledge, demands of skill obtaining, low levels of standard education, however, according to Social and Political Pact, by 2020-2025 85% of the population would be compulsory to dispose a certificate from intermediate education (Essays, UK, 2018)\(^7\)

Life expectancy in the Canary Islands is below the Spanish average but above that for the whole of the EU. As regards numbers of medical staff, the Canary Islands are less well provided for than Spain. However, the region has a higher number of hospital beds per

1000 inhabitants. Whilst the number of hospitals has diminished over recent years, the number of primary health care centres has risen slightly. 12 hospitals are available in the island of Gran Canaria. Furthermore, application of the State Dependency Act has encountered serious obstacles in the Canary Islands, despite similar levels of handicap as covered by the act.

The Canarian diet is dominated by the sea and its age-old produce wine. Among the typical canarian dishes there is roasted fish, potatoes, chicken and beef. Specialties include gofio, a corn-based flour that is added to numerous dishes and in particular to paella. Many of the local dishes have had a big influence on dinner tables in South America, again, due to the mass emigration.

Carnivals or regional holidays and events are held throughout the year and almost each town has its own celebration. They are vibrant, energetic and are a good way for visitors to learn about the history and culture of Gran Canaria.

During Carnivals, the locals dress up in colourful costumes, stalls sell handmade crafts, there are lots of fun games to keep the children amused and of course the food and drink is flowing. The main carnival is held every year between January and February in Las Palmas de Gran Canaria. There is also a popular tradition called Romería. Every year arrive in Gran Canaria hundreds of Romerías, religious journeys in honour of a saint.

Lucha Canaria is the typical name that refers to a Canarian wrestling. Its popularity has grown over the centuries and today it is a major sport covered by Canarian television.

Technologic Factors

At the time of analysing the scientific, technological and industrial environment in which researchers, technologists, businessmen and other people and institutions related to scientific research and technological development (R&D) and Innovation in the Canary Islands move, we must start to consider the characteristics of the Canarian environment. Both the natural peculiarities of the Archipelago (geographical and climatic) and the clear predominance of the services sector in our economy, among other factors, determine notoriously the current situation of the Islands in terms of R&D and Innovation, as well as the evolution of these activities over time.

The Canary Islands stand out due to the considerable number of public research centres and technological centres, both multidisciplinary and sectoral, that develop their activities in thematic areas of special interest for the Archipelago (mostly sea and ocean related). An example of this is the Technological Institute of the Canary Islands (or ITC).
which is a public company created by the Government of the Canary Islands in 1992 and under the Ministry of Employment, Industry and Commerce to carry out activities related to Research, Development and Innovation (R&D&I), to service Canary companies. Both the preparatory work for the preparation of the 1st Canary R&D Plan and the Canary Islands Strategic Innovation Plan aim to promote R&D and Innovation activities, especially in those priority areas, as well as to analyse and enhance the technological offer and the business demand, at all levels, of the main and potential productive sectors of the Canary Islands.

Currently, a significant imbalance is detected in the Canary Islands Science-Technology-Industry system, with total R&D expenditure and insufficient technological effort: business spending on R&D in the Canary Islands is far from the national average, staff dedicated to these activities is mostly linked to the public sector and there is very little direct participation in international programs.

Although the technological effort is weak, the Canary Islands register one of the greatest growths nationwide in the last ten years. Companies make an important effort to increase their technological capacity; The innovative activity is in growing development for sectors such as energy, water and agri-food. Perhaps these factors, together with the necessary coordination of sectoral R&D policies dependent on the different regional councils, allow to optimally confront the present and future of R&D and Innovation activities in a global way.

A sustainable transport system is one that makes it possible to meet the current mobility needs of people and goods at costs and in forms such that they do not jeopardise the availability and capacity of the system for future generations. Along these lines, the Canary Islands’ action in this field should be aimed at achieving a transport system that meets the society’s economic, social and environmental needs and contributes to creating a nonexclusive society and a Canary Islands that is fully integrated and competitive.

There are eight airports altogether in the Canary Islands and have an extensive network of highways. Numerous airlines established long distance flights to the islands such as its low budget known Ryanair, which is a great opportunity for those visitors who have limited budget for vacations. There are also ferry-boats that fast allow people to reach all the islands of the archipelago.

<table>
<thead>
<tr>
<th>Air connectivity</th>
<th>Maritime connectivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 Airports (6 internationals)</td>
<td>26 Commercial ports</td>
</tr>
</tbody>
</table>
The Canary Islands have a widespread inter-island air and sea transport network with a strong connection both for cargo and passengers. Notably there is also an important road network. These are the reasons why the distribution of product and services in the islands is fast and efficient.

**Environment Factors**

UNESCO has officially recognised Gran Canary the honoured status of a Biosphere Reserve, in recognition of its biodiversity and to actively support conservation on the island.

From the geological standpoint, the Gran Canary Biosphere Reserve is of exceptional value in understanding the process of formation and evolution of ocean islands. This BR covers 40 per cent of the Island’s surface area and includes all the catchment areas from the mountain tops down to the beaches and marine areas, through the valleys where farming is carried out.

Geologically, all the islands are volcanic in origin, yet their landscapes vary considerably, from the arid low-lying islands in the east (Lanzarote and Fuerteventura) to the more rugged topography of the more westerly islands, characterised by lush and varied vegetation cover, particularly on the windward slopes. The climate is subtropical with temperatures ranging from an average of 18°C in February to 25°C in August. These factors account for the diversity of flora and fauna and make Gran Canary characterized by its great biological diversity (one of the regions with the greatest biodiversity on the planet). Its geographical isolation together with the variety of available ecological niches for the vegetation have favoured speciation processes resulting in the presence of numerous endemic species (over 100).

The Gran canaria population is aware and give lot of importance to the environment. Found a clean drinking water is pretty hard in the island because of the lack of water sources.

In order to exploit the natural resources of the islands (sun, wind, sea) there are several renewable energy solutions and projects active in Gran Canaria. Indeed, there are the best conditions for producing solar energy, due to the consistently warm climate.
throughout the year. There are several solar plants that can transform can also transform salt-water into drinkable water or water destined to agricultural use. The largest wind farm in Spain is indeed located on the eastern coast of Gran Canaria.9

Given that one of the main economic activity in the archipelago is based on tourism, luxury hotels chain have started to implement responsible environmental policies. Arena Dorada will perfectly follow this line and the construction will be based on sustainable resources. Recycling points have also been installed throughout the island to reduce excessive urban waste (G.c.j, 2018)10.

Even if the island is characterized by various human activities such as forestry, agriculture, animal husbandry, fishing, recreation, education and rural tourism, the islands have the high percentages of protected areas (145 in total). In addition, there are four National Parks, including Garajonay National Park (La Gomera), which was incorporated into UNESCO’s World Heritage List in 1986 (Bianchi, 2002).

Legal Factors

The maximum expression of the judiciary and legal autonomy of the Canary island is the high court (Art. 26 of substantive law of judiciary). It was recognised on the 23 May 1989 as an integrative institution of the judicial framework11. (G.c.j., 2018)

It consists of three courts:

- Civil and Criminal Court
- Contentious Administrative Court
- Employment Tribunal

Fully integrated in the EU legal system, the Canary Islands offer the total guarantee in the matter of security and protection to individuals and companies.12

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The Canary Islands have a special fiscal system, fully approved by the European Union and Double Treaty Agreements signed by Spain. Recently, several policies have been implemented in order to struggle the tax avoidance and offshore tax. As a European region, the Canary Islands are subject to the European legal system, and, as an autonomous community of the Kingdom of Spain, all the national regulations are applicable in their territory.

The EU legal system has one of the highest standards of international legal security, especially in terms of data protection, free competition and financial regulation. Therefore all the companies based in Canary Islands enjoy the same protection. These transparent fiscal regulations, administered by the Economic and Fiscal Regimen of the Canary Islands (REF), benefit companies through legal process cost reductions. (European Business Hub, 2018)

The canary island, as a part of European Union allow people mobilization without visa requirement.

The Canary Islands do not use the VAT, but another indirect tax called IGIC (Impuesto General Indirecto de Canarias) (Article 6 of VAT Directive). The purpose of this tax is to boost the development of businesses among different countries and to balance the pretty isolated geographical location of the islands. (European Commission, 2018)

**Labour Market Factors**

According to an open scenario based on demographic analysis and forecasted hypothesis the economic crisis will affect also the level of net immigration in the following year and therefore any population dynamic is pretty unlike to increase job opportunities in the Canary Islands. This scenario is pretty in contrast with the recent year dynamics where

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14 Gobierno de Canarias, The canary islands are integrated within the international fiscal transparency regulation, https://canaryislandshub.com/competitive-advantages/guaranteed-security
the immigration contributed intensively to stimulate the job market. (Rompuy, 2012)\textsuperscript{17} Even is the economic uncertainty makes any evaluation of future trends very difficult the economically active population of the islands could rather decline until the 2030. Therefore, an increase in job opportunities could be liked in the near future to a rise in the activity rate.

Activity rates will continue to rise, as there is a potential for female activity rates to increase, being lower than the EU average and far below countries with the highest activity rates for women. The European Union scenario estimates a dramatic reduction in unemployment in the Canary Islands due to the lack of flexibility in reaction to the crisis. The Canarias economy is unlikely to reach the targeted EU 2020 employment rate objective. The unemployment rate amounted to 21.87%, slightly more than five percentage points above the state rate and the third of all the Spanish autonomous communities. In the province of Santa Cruz de Tenerife this rate was 20.04% and in Las Palmas 23.51%. The female unemployment rate (25.80%) was more than seven points higher than that of men (18.38%). (Rompuy, 2012)\textsuperscript{18} The potential of job creation will depend on the speed of economic recovery in Spain and the Canary Islands. Nonetheless, it is unlikely that 2020 unemployment levels will have fallen back to the 2006 level. All the predicts data don’t take in consideration the level of skills that is increasing year by year and it is a relevant aspect. In average the population is highly qualified. Labour force in the islands possess a solid know-how in key sectors that are an important asset to meet companies’ needs. And low rate of turnover increases the workers’ loyalty. Skills are strictly linked to the education system, that in Canary island show a level of drop out and failures. The creation of new job opportunities in the near future must be accompanied by a stronger school system in order to fulfil the gap between skill levels of the population and those required by the job market. One of the biggest Canarias challenges regarding the labour policies is to increase the level of training especially for workers that lost their job in both building and private service sector. In this way will be easier even for low skilled workers to secure a job in the Canary island labour market.

\textsuperscript{17}Rompuy, H. V. (2012). De toekomst van de EU – De EU en de toekomst. Europa, Interdiscliplinariteit En Wetenschap
\textsuperscript{18}Rompuy, H. V. (2012). De toekomst van de EU – De EU en de toekomst. Europa, Interdiscliplinariteit En Wetenschap

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Megatrends

In this section the main megatrends of each one of the factors analysed in the PESTEL are going to be reviewed together with the inflection points and weak signals that can be seen as opportunities or risks for the business.

Politically talking, nowadays it is possible to see different megatrends around the world like the protectionism polices seen in United States and China or the separations seen in United Kingdom with respect to the European Union. However, it is true that those factors are not very relevant in Spain, besides perhaps the last one that will be explained later. Currently is very difficult to state a megatrend as the political instability is high. Probably the multi-party system and the rise of smaller parties, letting it obsolete, can be one of those megatrends. Due to the high corruption levels, the awareness regarding transparency is increasing, but more than a megatrend it is an inflection point. The trend to the independence, however has a high impact on Spain as it is a country formed by very different regions with strong traditions and own culture (not only in Catalonia). This could be a risk for business in Spain, as there is no a solution to the Catalonia problem right now, and that independence thought can be expanded to other regions leading to the cantonalism an old problem in Spain. However, Canary Island is one of the places in Spain that suffer less the political instability or the independence problem as it is the outermost region of Spain, being far away from the Iberic peninsula and more focused.
to solve their own problems as the lack of industry or an economy fully based on the tourism.

If now we analyse the economic megatrends, globally the protectionism economic policies and the trade war between US and China is the megatrend, leading to a high separation between countries. There also other megatrends as the bitcoins, that even if right now they are not very used in regions like Canary Islands can represent a large opportunity for every business. In Spain, and concretely in Canary Island, the main megatrend is the economic recovery period, reflected into a reactivation of the construction sector, an increase in the real state business and the recovery and increase of tourism. However, it is not very difficult to realise that Spain is committing the same mistakes that in the previous crisis relaying too much in the real estate and construction sector instead of investing in new technologies and research and development which is a possible risk scenario.

Regarding the social megatrends, globally the population ageing is generating different needs over the world, since more workforce in the appropriate age to how to care of the elderly. In that megatrend is based the business presented in this document. There are other global megatrends as the consumerism (the things are not repaired anymore because is easier and cheaper to buy a new one), private health insurances (not relaying more in the governments social systems) or the social network relations. In Spain, it is also remarkable the importance of the family and friends in the social ambit. However, it is true that the individualism is increasing which can be an opportunity scenario for our business if we decide to target Spanish market as customers.

Almost all the new technologies are a megatrend nowadays. Interactive and portable devices (smartphones, laptops, tables, etc.), home automation, App, algorithmes, etc. It must be highlighted the importance that the artificial intelligence can have in few years, specifically in this business sector, allowing AI care assistants, monitorization and immediate diagnosis of problems, etc. opening an incredible range of opportunities in this sector. However, this can be a risk too, because if one can have a personal assistant at home that takes care of the elder person, the use of retirement houses could decrease so the business should evolve and offer more activities and services beyond health care.

There is a huge global megatrend about the environmental awareness of the society. Recycling, renewable energies, going green, organic food, electric cars, vegan and vegetarians, water conservation and waste management are ones of the most popular environment trends nowadays. In Canary Islands, the water conservation is an important
issue as there is no a drinking water source, and all the bottled water is obtained from desalination the sea water. Being aware of all those ideological currents, we can not only to adapt to the different needs and preferences each one of our customers, but also to create new activities around those new ideas as organic gardens.

Finally, the legal megatrends such as the copyrights and patents or data protection laws are not an opportunity neither a risk, just something we must accomplish with. However, it is an increasing in the transparency required by all the legal procedures.

**Industry analysis**

**Porter’s five forces**

*Barriers of entry: LOW*

New Entrants are viewed as a moderate danger in the Retirement Homes sector. Since such a division requires enormous venture as it sets to give first class help to life. Other than the tremendous capital prerequisite, legitimate limitations additionally could represent an issue however these issues again dependably exist in numerous businesses.

The serious issue for any new player would be the players who are already existent in the market and have started their activities toward this path. High capital prerequisites mean an organization must spend a great deal of income so as to contend in the market. This viewpoint decidedly affects nursing homes therefore, it is extremely hard to enter the market.

In addition, the economies of scale are high and the business is combining, lessens the risk of passage. Be that as it may, since the nearby government and experts are in every case exceptionally strong towards candidates hoping to put resources into the nation, the ZEC was made. It was made to energize, pull in and develop organizations in the Canary Islands not to make obstructions to passage. Then again, low capital necessities to create and keep up the innovation foundation may expand the danger of section. Which influences the dangers to new participants to go from low to direct.

*Bargaining Power of Suppliers: MODERATE TO HIGH*

Suppliers are the business that supply resources and materials into the business. On the off chance that providers have high bargaining power, industry could be regarded as less alluring and attractive. Bargaining power is high for the most part when the exchanging cost included is high or there are numerous purchasers and a couple of prevailing providers. The providers for this industry surpass the quantity of players in this industry.
Other than the crude material providers there are likewise tie ups with private healthcare, tours and travel accomplices, as well as nurses. A low grouping of providers implies there are numerous providers with constrained haggling power. Low grouping of providers again would decidedly influence us positively. Furthermore, The Canary Islands give an ideal place to organizations hunting down quality nearby abilities that are surpassing the neighbourhood needs. As the level of unemployment is high (25%) which makes the interest of occupations high; along these lines, not really costly. In addition, most of the parts used in Healthcare IT frameworks are made with standard segments which can be obtained from various sellers along these lines decreasing provider haggling power. Also, provider’s focus is low bringing about low bartering intensity of providers just as the danger of forward reconciliation is low. Consequently, our organization will have a choice of browsing plenty of providers and all things considered their dealing power is low. However, it is important to mention that our company will be hiring excellent candidates that could be able to fulfil all our customer’s needs; by that we are mainly highlighting the fact that our workers (from doctors, nurses, to receptionists, ... ) must be able to talk different languages and mainly English. This point changes everything and moves the bargaining power of suppliers from Low to moderate, into moderate to high.

*Bargaining Power of Buyers: MODERATE*

The players are not settled and the purchasers are yet uncertain. They have different alternatives to go to different nations or urban areas with comparable natural perspectives, and furthermore they have the likelihood to lease houses or go to extravagant inns. Reasonableness likewise assumes an imperative job; hence, the purchasers may trust that it is desirable over purchase or lease a house and get the required help since medical coverage is practically free in Gran canary. Changing retirement homes costs are exceptionally high bringing about high customer loyalty and diminish challenge. Individual buyer volume is high as providers regularly don't have numerous purchasers in this exceptionally divided industry. However, when there are large numbers of customers, no one customer tends to have bargaining leverage. Limited bargaining leverage helps Nursing homes.

*Threat of Substitutes: HIGH TO MODERATE*

Retirement Homes is a very surprising idea as against Nursing Homes, Home for the Aged, and so on. These choices are settled ones in the purchasers’ psyches and might be regarded as giving similar contributions. There is a requirement for mindfulness in this respect. What’s more, as recently expressed, backhanded substitutes, for example, rich
lodgings or luxurious hotels speak to a high risk towards our administration. In any case, the surprising expense of changing to substitutes decidedly influence our business. Moreover, the restricted or non-existent direct substitutes would be a decent advantage for us; as our clients can only with significant effort find different items or administrations that satisfy their needs and wishes.

*Industry Rivalry: MEDIUM*

The private players rule this industry which is still in the experimentation stage. In that capacity, every player is doing what he can to get things right and get his business moving. This thusly alongside the absence of separation that these homes can have expands the competition in this industry. Industry development rate is high (expected to be 15% every year in the following couple of years) which results in lower rivalry among existing players. Also, our industry is exceptionally highly fragmented and rapidly consolidating which expands competition among existing players as noteworthy economies-of-scales advantage bigger players. Nevertheless, in Gran Canary there are no direct competitors so no firm is competing for the same customers and resources like us.

*Industry analysis*

*About the Industry*

Two sorts of retirement networks are accessible to individuals age 55 or more established. Free retirement networks comprise of single-family homes, townhouses, condos or duplexes in which occupants live without anyone else. These people group offer an assortment of administrations, for example, dealing with garden support and giving an entertainment focus highlighting an assortment of exercises. Proceeding with consideration retirement networks give free lodging game plans or helped living offices, alongside medicinal services benefits that expansion in degree as occupants' needs change.

*The industry's attractiveness*

Retirement communities are expected to increase due to the incredible increase in the baby boomer demographic in the world (those born somewhere in the range of 1946 and 1964) as indicated by SBDCNet. This gathering is required to search for lodging choices, for example, retirement networks, as a group throughout the following 20 years. Moving into a retirement home, regardless of whether an autonomous or proceeding with
consideration office, takes a piece of cash, so the market is restricted to senior subjects with sizable retirement wages to deal with the costs. (PRB, 2016)

Services are now opening a new market around dependency. A market expected to grow under the pressure of population aging, but whose demand can only be met by making an effort to socialize more costs of care. Because what is missing are places in retirement homes at affordable rates for the greatest number and adapted to people increasingly dependent.

Retirement home residents are becoming more and more numerous, according to a study by the Directorate of Research, Studies, Evaluation and Statistics (DREES): 728,000 elderly people were cared for in total in 2015, an increase of 5% compared to 2011. In detail, 10% of over 75s and more than one third of over 90s (35%) attend or live in a retirement home. The median age increased by one year between 2011 and 2015: it went from 86 years and 5 months to 87 years and 5 months. (PRB, 2016)

If trends are confirmed, the seniors’ assistance sector is expected to face a 50% increase in the total number of dependent seniors, still by 2040. A difficult challenge, since current offer of 10 beds per 100 people aged 75 and over, the number of beds should be doubled.

The recession and economic crisis have slowed the retirement community industry’s growth in the past few years, which has moderated the retirement network industry’s development in the previous couple of years, with numerous individuals deferring retirement because of waning resources, says SBDCNet. The pattern to move to countries in warm-climate states proceeds, in spite of the fact that individuals are moving to less-famous states, for example, Gran Canary- rather than Florida and Arizona - to minimize expenses. Making lodging concentrated on explicit interests, for example, assembling a specialists’ settlement or offering a lot of storage room for individuals who need to bring their RVs, boats and other kinds of vehicles to their retirement home is becoming a new attractive trend.

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Difficulties

The longing for communities that take after a home, as opposed to the conventional nursing home office, implies retirement networks must discover approaches to speak to purchasers who need an upscale domain and enhanced administrations. Also, more wellbeing cognizant people born after WW2 –baby boomers- need to live close greens and especially gold courses, waterways or in walkable networks to remain physically fit. Retirees additionally need to carry their pets with them, which means retirement networks need to make acclimations to give administrations to animal lovers.

MARKET ANALYSIS

In this section it is going to be performed a quantitative and qualitative assessment of the market. This chapter looks into the size of the market both in volume and in value, the various customer segments and buying patterns, the competition, and the economic environment in terms of barriers to entry and regulation.

Offer analysis

In this section, the main objective is to get to know the main strengths and weaknesses of our future competitors in order to know how to compete with them in the best possible way.

Currently, there is nothing similar to Arena Dorada business located in Canary Islands, just a few ones in the Iberic Peninsula and nothing similar in the rest of Europe. However, having few direct competitors does not mean one can forget other powerful strategic groups.

The strategic groups that must be taken into account as main competitors are:

1. The “care-hotels”. This will be he direct competition. In these complexes the elderly can enjoy all the comfort as if they lived in a large hotel, but with the independence that gives you having your own apartment. In addition, they are guaranteed to be surrounded by a team of health professionals specialized in geriatrics.

2. Luxury Holiday resorts. Focused on temporary stays. They pay great attention to adding value to the experience of their guests. Other factors that could define a luxury hotel are the privacy and exclusivity that it offers. This type of hotels has an exceptional service by all their staff, which are 100% committed to meet all the expectations of the host in terms of accommodation and entertainment. They are characterized by handling a neat and solemn image before the world,
differentiating themselves from the rest of the hotels in terms of quality service and wide customer satisfaction.

3. Luxury rental houses. Even being luxury houses or apartments, it only includes the monthly rental of the house, and not any kind of services. It is a long stay, but you have no additional services neither included nor with the possibility of adding them by paying. Any extra service should be searched and contracted independently by the guests.

4. Traditional residences. Institutions in which temporary or permanent elderly people live in most of the cases with a certain degree of dependency. In the residences, personal development and social care services are offered. In cases where it includes gerontological services, it is a team of suitable professionals with specific gerontological training, with different specialties.

**Strategic Map**

[Diagram showing the strategic map with different categories: Residences, Resorts, Care hotels, Rental houses, along axes of Quality and Price]

**Graph 1. Strategic competitors map**

All the retirement houses of the Canary Islands are rounding the one hundred hosts or above it, targeting Canarias elderly not northern European countries and composed by a hospital appearance rooms in a building were the privacy stands out by its absence.

If someone sees hotels as main competitors of course the access of a business like Arena Dorada in the market will be pretty hard, considering also that the Canary Islands economy is based on the tourism, so the competition is high. The same argument will be valid with the luxury rental houses. However, the main advantage is that while all those
businesses are focused on temporary stays, Arena Dorada offer a long stay in permanent houses with all services included going far beyond the usual care for elderly.

Taking all the information into account it has been identified one direct competitor and three main indirect competitors:

Direct competition:

- Seniors residences (aka “Care-hotels”): Residences for older seniors located in the province of Málaga and Cádiz of the highest quality in exclusive environments. Medical Service (Doctor, nursing DUE, licensed nursing assistants, physiotherapy, occupational therapy, workshops of memory and cognitive stimulation, chiropody, pharmacy service, oxygen therapy), social service (social worker, accompanying services, religious services), personalized services (customer support, nutritionist with specific diets control of allergens and intolerance in diets, cleaning and laundry service, maintenance service, clothing marking, own kitchen, barber shop) and administrative services (management of external consultations to medical specialties, documentary processing and administrative procedures. Impossible to find the prices.

Indirect competition:

- Grand Hotel Residencia: five-star luxury hotel situated at the heart of a palm grove to the south of Maspalomas in San Bartolomé de Tirajana. The basic service they offer is a Standard Room with twin beds, 33 m², decorated in Spanish Colonial style with a large wooden balcony or terrace that overlooks the garden and or the main building. Bathrooms are spacious and contain bath or shower with L Occitane toiletries, bathrobes and slippers. All rooms offer Minibar (charged apart if you consume it), air conditioning and WIFI (free of charge). Daily free fruits and water. With the breakfast included de price per night is 512€ as an average, being more expensive on weekends, holidays and depending on the availability of the hotel. It is not possible to book more than 3 or 4 weeks so no valid for a permanent stay. All extra services will be charged separately.

- Luxury house rental: single-family villa, located within a group of houses formed by only six villas. It is located on a plot of 690 square meters, with excellent panoramic views, large private garden space and within an atmosphere of maximum tranquillity. Ideal for golf and nature lovers. Main floor: private pool with led lighting, spacious solarium with sun loungers and chill out area with beautiful views of Salobre Golf, garden with artificial grass and Canarian palm
trees, covered terrace with living room to enjoy family gatherings, large bright living room with luxury furniture, modern fully equipped kitchen with high-end appliances, a toilet, a room with double bed, wardrobe and bathroom. Top floor: two beautiful rooms with double bed, built-in wardrobe and balcony with spectacular views, full bathroom. Basement: private garage, facility room. Close to the service areas, stories such as restaurants, supermarket, golf course, and only 15 minutes by car from Maspalomas. It is rented for a minimum period of 3 months. Expenses are not included in the rental price which is 3000 €/month.

- Residencia Altavista: They define themselves as “a place where elderly can find tranquillity, comfort and professional care”. They have positioned their selves as a reference of efficiency and quality in the sector of residences for the elderly and offer facilities adapted to any person and their needs with professional staff that will take care of the costumers in a friendly and timely manner. The basic service they offer is shared room and the basic medical care and meals for 2500€/month.

Next table shows the indirect competitors together with our business in a competitive profile matrix, showing the main key success factors, the weight and the score for each business.
<table>
<thead>
<tr>
<th>Key Success Factors (KSF)</th>
<th>Weight</th>
<th>Our business</th>
<th>Seniors Hotel Care</th>
<th>Grand Hotel Residencia</th>
<th>Villa / Chalet de lujo</th>
<th>Residencia Altavista</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Expected Score</td>
<td>Weighted score</td>
<td>Expected Score</td>
<td>Weighted score</td>
<td>Expected Score</td>
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<td>Innovation (# services adapted to new technologies)</td>
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<td>1,00</td>
<td>3</td>
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<td>(# packs options)</td>
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Table 2. Competitive Matrix

All the criteria have been adapted to the size of the company.
According to the matrix, the main competitor for Arena Dorada business is the direct competition (Seniors brand), while the other competitors are not targeting the same market and do not share the same key success factor, so Arena Dorada has an important competitive advantage.

Over direct competition they have some advantages as the privileged location in Canary Island, with better weather and larger range of landscapes which allow they to have a bigger range of activities available. Additionally, the lower taxation of Canary Islands compared with the rest of the Spanish territory permit they to have a wider range of profit margin keeping the same price for the customers.

Luxury hotels are the main indirect competitors; however, they are targeting short-stays and the price if they include something more than the stay and the breakfast increase in a disproportionate way. The main disadvantage for rental houses is that they do not have any services besides the house, which could incur a multitude of extra expenses if you wanted to achieve the quality of life that our business offers. Finally, the residence specialized in elderly is focused in a low price – less quality business than we, so different targets again.

However, it must be remarked that as soon as someone gets into the market and start running a business, the proliferation of similar businesses is forecasted to be quick and large. That is why it is highly recommended to perform the competitors’ analysis periodically once the business is established and take advantage of the market niche, establishing Arena Dorada in a strong position as soon as possible and creating a quality and reference brand in Europe.

**Competitive advantages**

Arena Dorada will face the main challenge of achieving competitive advantages over the other competitors in Canary Island and Europe. Following a right strategy could allow a company to realize higher profit margin and add a superior value to the business compared to its competitors. According to the Porter’s table below there are four main business strategies that could be implemented to gain a competitive advantage.
Figure 8. Strategies Matrix

Arena Dorada will follow the “differentiation focus” strategy. The luxury village aims to satisfy special customers’ needs in a personalized way that is clearly different from competitors that, as seen in the competitor’s analysis (?), are targeting a broader segment of customers.

Breaking down the Differentiation focus strategy:

The differentiation strategy, in terms of meeting different needs and wants, is an important adding value to our business. Arena Dorada will deliver an extremely high-quality and personalized service that will make the difference to its competitors. Be different in the luxury homes we provide, be different in the customer-made service, be different in the activities we provide, be different in the concept of independent living.

The focus strategy will be reflected in the decision to target a niche market. A very specific market in which understand the dynamics and the unique needs. In this way Arena Dorada will become not only leader in the sector but will also build a strong brand loyalty that will make the niche market less attractive to the competition.

The competitive advantage strategy chosen and the premium offer proposed explain clearly the higher price compared to an un-differentiated service of our potential competitors.
**Key competencies**

Arena Dorada will be known for the luxury and for the services provided. In particular, people will choose Arena Dorada instead of other independent living solution for the key competencies of a professional team ready to enhance value for guests and make their gold year unique.

Key competencies:

- Highly skilled and professional team
- A unique geographic location in the heart of Canary Island
- Personalized activities and variety
- Taylor-made stays and attention to details, in a unique formula of high quality service and ambience.
- Space and privacy
- Partnerships with relevant institutions (university...)
- A Micheline star chef, and an extremely high quality restaurant with fresh and local product
- Luxury homes design furnished with a mixture of classic and modern elegance.
- Fully equipped in terms of security (video, audio and a 24/7 vigilance service)
- Arena Dorada is based on a concept of renewable energy sources

**Actual and potential demand analysis**

The demand analysis estimates the customer demand for the services we are selling into our particular market.

It must be taken into account that even if the business is located into Canary Islands it is targeting people of northern European countries, so the market and the demand analysis must be performed on those countries and not on Canary Island or Spain.

The target customer is people over 55-60 years old, thinking on the retirement, of any sex condition and orientation. They can be thinking on coming alone or as a couple from wealthy northern European countries well connected with Gran Canaria through its airport as UK, Germany, Sweden, Norway, Denmark and Switzerland.

Our target customers must be social upper class with an average income per year of 200.000 euros/person or couple. People with high education level, openminded, from all ethnic groups and religions, tolerant, proactive, knowledge-seekers, intellectuals and dynamics.
According to the Hofstede model, our target customers need to have:

- High individualism, meaning that the degree of independence is high, and they are likely to move from their respective countries to a new one leaving family and friends miles away.
- Low uncertainty avoidance, which can be interpreted as people that can take some risks. This is important because of the same reason we are targeting high individualism. Moving at such a late age to a new country is a risk, and they must be in favour to do this action.
- Long term orientation, as we are looking for people that see their retirement as a second chance to start enjoying life now they have the free time and the money.

As it is possible to see in the figure below the two countries that will be our main target respect the main Hofstede parameters.

![Hofstede model: Germany and UK](image)

**Figure 9. Hofstede model: Germany and UK**

**Threats and opportunities**

**Opportunities**

- Expansion of activities.

Each structure may extend its activities with some simple steps such as obtain a second car, or employment of a physiotherapist or a psychologist.
• Exploiting relations with other social structures.

Relationships with other organisations can be expanded and strengthened to allow broader cooperation, exchange of good practices, joint actions and initiatives, etc.

• Collaboration with voluntary organizations.

Each structure can establish relationships with voluntary organizations in joint activities and initiatives, both by promoting volunteerism and assisted by the same expansion of volunteering. Such as our idea to volunteer in university and other institutional facilities.

Threats

• Competition

In view of the expanding client base for assisted living, numerous individuals and organizations are getting into the diversion. Various social insurance organizations that have generally worked chains of nursing homes have extended into the helped living business sector. Also, many lodging designers have enhanced into this new sort of lodging. Accordingly, not exclusively are there numerous rivals in the market; yet additionally numerous new offices have new and expanded highlights and civilities, for example, network focuses, feasting corridors, exercise centers, pools, fairways, cutting edge in-room kitchenettes, excellent stylistic theme and rich room plans. Thinking of an office with an edge up on the challenge can be troublesome.

• Economic recession and cuts in social funds.

The recent financial crisis could have serious effects on overall social costs and threaten the sustainability of social structures. Unable to service the increased number of patients. The number of people needing assistance is increasing, partly because of an aging population and because of the increasing difficulty of the elderly’s families to meet the increased care needs. However, since we will be providing a luxurious project we might face some difficulties in finding customers with the prices that we are offering; because
the financial crisis that has seen the world hurt some of the world’s richest families (Docplayer, 2017)

- Cultural differences:

It is extremely difficult to operate in a country with an unknown culture, and also to effectively deal with the cross-cultural difference between both the workers and residents. The management team has to be able to work on identifying a clear organizational culture that would help prevent any kind of misunderstanding or dispute between the employees. In addition, to train them in order to adapt and adjust their attitudes towards their clients depending on the cultural background from which they come from.

**Internal definition analysis**

**Organization diagnostic**

**Vision**

The vision of the business is simple and clear: Change the society’s perception of elderly, making the world a better place for living the golden years.

Arena Dorada aims to become an idyllic place in which to spend the last quarter of life, becoming a benchmark worldwide in terms of life quality during elderly. This implies not only the best health and wellness care, but also an active and engaged lifestyle that leaves evidence of the added value of the experience and the wide and mature vision of the world that it can provide.

**Mission**

The mission of the business is: to become the best luxury retirement home being a reference in seniors life quality, providing personalized services and activities and empowering our clients to actively live their life as engaged citizens providing the possibility to share interactively the accumulated wisdom of our clients and members

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interactively to benefit the larger community and allowing our members to play an essential and strategic role in the society.

The mission highlights the importance of not only taking care of our older ones in the best possible way but offering them the possibility to continue forming part of the society and contributing to it actively with their experience and their knowledge acquired over the years.

However, by saying that they want to become the best luxury retirement home and a reference in the sector, Arena Dorada is emphasizing that they are not losing sight of the fact that they are a business and they want to become a branch of reference not only in care but also in terms of profitability in the sector.

**Culture**

The Arena Dorada’ culture is based on their values that are developed from two simple concepts: love and respect. At Arena Dorada Luxury Retirement Home genuine care and comfort of customers is of highest importance. Emphasis on providing the finest personal service and facilities for clients is important. Clients are offered a refined ambience which they can experience while relaxing.

Three steps in service are established to ensure the minimum quality service:

- A warm-hearted salutation and departure, while presenting a wholehearted farewell using the resident’s name.
- Anticipation and fulfilment of each guest’s needs.

One of the main goals is that all the employees feel proud of being part of the company. This is translated into customer proudness of becoming part of the community.

Arena Dorada wants to go beyond the emotional engagement that appears when reviving the emotions and memories of clients by genuinely caring and making them feel recognized, important and unique. Arena Dorada wants to create the next step which happens when the company hear clients’ requests even before the clients knows them, going so above and beyond the call that folklore (“wow” moments) spreads throughout potential customers and industry.

The employees of the company are the most important resource in their service commitment to their clients. By applying the principles of trust, honesty, respect, integrity and commitment, they nurture and maximize talent to the benefit of each
individual and the company. Arena Dorada fosters a work environment where diversity is valued, quality of life is enhanced, individual aspirations are fulfilled, and company’s good name spreaded.

An amount is fixed on the employee’s resources for solving a problem immediately, without checking with a supervisor. An employee can use up to 500€ to find an instant solution to a client’s problem. It shows a deep trust in the staff’s decision. They could use more than the designated amount after the general manager’s permission. The notion is to create an extremely amazing stay for a client. It is not necessary that there is a problem, it could be something as simple as a client’s birthday, an employee arranging champagne and cake in the home. Many times, 500€ is to create an outstanding experience. An employee cannot avoid difficult situations by saying that it’s not their job. One cannot be limited with one’s job descriptions when customers’ satisfaction is at stake. Employees need to step outside job boundaries, and no one questions them when they do so because it is more important to solve the issue.

Employees are empowered when occasional problems come up and the executives support and reward continuous employee input. The company believes that employees are aware of what is happening, and the management must listen to them. The new employees might be asked about their opinion on improving service several times a month. Decisions are made by a small number of management staff and their reports are put into practice without any difficulty.

The selection of employees is a team effort too. A supervisor does not hire an employee without taking opinions of candidate’s potential colleagues nor does Human Resources hire a new employee without group consultation.

Reinforce Values Daily through two-day formal orientation for employees. 15 minutes meeting are then held daily so that employees can register the cultural values. The company’s values and ways to apply them in different situations are discussed. The attendances for these meetings are non-negotiable. Every Monday and Friday, outstanding examples of customer service are discussed. These examples help in motivating employees and help them absorb service values. These examples include how each employee can treat another employee and clients.
**Organization**

Arena Dorada is a completely new organization, that is the main reason why the organization chart is flat and simple. However, this might be evolving into more complex formats as the organization grows.

![Organization Chart](image)

**Figure 10. Organization chart**

The CEO would be the maximum responsible in the organization and the public image of the company in event and conferences. However, he/she can delegate some of the responsibilities in others.

Customer Services includes all the services to the customer: the cleaning staff, the chefs and the chef assistants, the coordinator of offered activities, the nutritionists, the maintenance, the nurses and the outsourced services (as gardening, drivers, medical clinics, etc.).

HHRR and Marketing will start as a single department as Marketing will start in a very modest way. Regarding human resources, at the beginning of the operation the company would need huge hiring campaigns. However, once the business is working the department will be more focused in the continued training and the constant improvement of skills of the employees.

Administration and Finance will take care of the monetary, legal, administrative and practical aspects of running a business. It will grow together with the size of the company.
Total Quality Management (T.Q.M)

The total quality management will involve a quality plan for the continuous service improvement. This plan will depend on several inputs: the clients’ opinions, the employees’ opinions, the sector or industry view of the company and the public image of the company. A percentage of the annual budget will be employed in improving the main deficiencies shown by the previous inputs in a continuous circle of improvement states in the quality plan.

Input

The main inputs will be:

- The clients’ feedback regarding their own experience through the business services. That feedback will be collected periodically in two different ways: once each 6 months with an informal meeting (a talk during the breakfast or a walk through the garden) with the quality responsible and once per year in a quality survey. This does not imply that if a client finds a serious deficiency he/she has to wait till that moment to complain, obviously they can report any improvable aspect at any moment.
- The employees’ opinions will be collected in the daily meetings with their supervisors and in an anonymous survey every six months. They can also address any doubt to the quality responsible.
- The sector opinion will be extracted from the publications regarding the company in specialised medias and from the industry lobbies, committees and conferences meetings.
- The non-specialised public opinions will be collected from random surveys in public spaces one each two years and will be more focused in the public image of the company and if they perceive the business as a luxury and high quality one.

A percentage of the annual budget will be designated to improve the deficient quality aspects detected from the different inputs described above.

Image

In this section the general instructions to design the company image will be provided. The image of the company will be designed by a graphic design firm (to be determined between different suppliers). The general instructions to follow are:
• All the following documents should have the same theme and be easily identifiable with the company and between them as belonging to the same organization so a company’s colour and font should be selected and applied in all the official company’s documents.

• Logo:
  o The colour: it should be in golden tones and should transmit elegance, luxury and quality.
  o The shape: It must be related to beach topic (sand, dunes, waves, etc.) and emitting peace and care. It also must include the name of the company.

• Official documents should have the same layout which should include the company’s name and logo. This template should be professional and in neutral tones.

• Business cards must contain the full name of the person, corporate contact data (email and number) together with the position and department to which he/she belongs.

• Email signatures must include the full name of the person, the job position, the department, the corporative contact data, the company’s address and the social media of the company (Twitter, Instagram, Facebook, LinkedIn, etc.).

**Internal communication**

In this section, the internal communication is going to be described. As the company is starting, the structure is very flat so there does not exist any kind of formal procedure to communicate between employees independently of the position besides the good practices and the well manners.

In order to encourage strong communication between the entire of the company, different activities will be promoted by the organization such as:

• Breakfast: once per week a general breakfast will take place at the company’s facilities where all the staff can enjoy and exchange ideas together.

• Activities: group activities outside working time will be promoted (football team, trekking excursions, beach volleyball games, etc.).

• Collective annual events: Christmas dinner, family day, team building workshops, etc.
Innovation and Technology

In this section the potential innovations that are being developing for the sector are going to be analysed in order to state how useful they are for the business. It is focused on the future because being a starting company means that the traditional methods are going to be used at the beginning, but it is also necessary to implement new technologies.

In the geriatric care the Internet of Medical Things (IoMT) allows the entire (medical) ecosystem – caregivers, patients, payers and providers – a new level of engagement that results from remotely monitoring patients and remotely maintaining connected equipment, thereby providing visibility and insights about exercise regimens, diet and vitals parameters. The medical world has started to use this type of information in order to help and assist seniors with their medications’ schedules, vital signs and implants.

Another important technology is GPS that can help to localize a senior who may be lost. Even if our target doesn’t show any physical and mental problem, it could happen that year by year elders could start suffering of memory issues (dementia and Alzheimer’s diseases...) and they could be, in certain situation disoriented or lost even if the seniors know the location well. “More than 60 percent of those with Alzheimer’s or another form of dementia will wander,” (National Council for Aging Care, 2018) the Alzheimer’s Association said. “If a person is not found within 24 hours, up to half of individuals who wander will suffer serious injury or death.” (Alzheimer’s Association Statement on Silver Alert The Alzheimer’s Association MedicAlert, 2018)

Cameras or sensors (less invasive) can help in elder abuse issue. The National Council of Aging says that about one out ten adults over the age of 60 faces some sort of physical, emotional, sexual, neglect abuse, or some other forms. Cameras and sensors also help health professionals to track the movements of elders with health and mental issues when they aren’t around, noticing their habits and tendencies. If the sensors pick up on changes in activity, they can send an automatic notification (via text, phone, or email) that something may be wrong. In other words, if a senior isn’t getting out of bed at a

certain time or entering the bathroom to get medication when they’re supposed to, these sensors can let you know. (National Council for Aging Care, 2018)

Phone applications are one of the biggest advancements in technology that has helped both seniors and caregivers in a number of ways. With any basic smartphone, seniors can monitor things like their medication, heart rate, and location (if they’re someone with memory loss and may suddenly not know where they are). Just as important, though, apps are quite helpful for family and caregivers. The information they collect can be transmitted to doctors to help see how seniors are impacted as they age, from their mobility to how medication is affecting them. Apps also allow family members to keep track of their seniors and know where they are at all times, which can be particularly useful if they notice the family member’s activity has decreased. In their simplest forms, apps also help keep seniors occupied. A study found that most seniors like to occupy their time with reading and “pursuing religious activities.” There are endless apps that have been developed to help seniors stay informed with news, and other apps allow seniors to read their favourite books. (National Council for Aging Care, 2018)

Virtual/Robot Assistants are devices available that allow seniors to get help and also receive a better understanding of their medical duties for the day (taking prescription, exercising the best they can, etc.) without a person being present to remind them. There are apps for touchscreen tablets, many of which come with automated voices, that applications allow seniors to feel as if someone is there to help them. This provides a sense of community, which is imperative to seniors as they age, especially if they’re aging alone. There are also robots that seniors can have roaming their homes to remind them to take medications, browse digital content, listen to their favourite music, connect with family, and music more. (National Council for Aging Care, 2018)

Virtual and augmented reality experiences for seniors where participants can either control the experience themselves or participate in a group experience led by programming teams. There is an exist kind of virtual reality version of Netflix in which participants can choose from a variety of experiences, such as spectator and active sports activities, educational activities, and travel. Also, some virtual reality companies have a deal with NASA for example, and participants can “travel” to space and learn about spacecraft. Other options include virtually traveling to and touring through Paris as a group and learn about the city’s history. (National Council for Aging Care, 2018)

Other possible technologies are: social robot assistant, airbag folded into belts, stabilizing eating utensil, etc.
Information Technology / Management Information System (IT / MIS)

The company will develop a data base where all the information of the clients will be kept in a safety manner according to the Spanish Data Protection Law (LOPDGDD) which accomplish with the European Law. The company is going to follow the policy of “having access just to the needed information”, which means that the medical staff will be the only one having access to the medical data (the most sensitive data the company is going to handle from clients), administrative officers designated to manage a client will have access to the financial information, etc. (National Council for Aging Care, 2018)

To fulfil the aforementioned, the data base system needs to be protected and partitioned according to the nature of the data it is processing and each user will have access just to the part of the system that is really needed to perform correctly its work. Just the CEO and the head of each department will have access to all the data. (National Council for Aging Care, 2018)

All the clients will be requested to sign the data protection format before the contract.

Resources and Capacities analysis

BCG Matrix

![BCG Matrix](image)

**Figure 11. BCG Matrix**

Our organization will be the first to enter the market and monopolize it; In this manner, it is ought to be portrayed as a "Star". "Stars" are business units that have a high market
share; however, expend a high measure of money as they are arranged in a high-
development market. The nursing home piece of the overall industry is great; yet, the
development rate also is great. Since these two components are high, the home care
service and precisely our company, are dependably in aggressive mode and they need to
juggle among speculation and collecting cash and saving out cash opportunity to time.
Not at all like cash cows, Stars can’t be careless when they are on top since they can
promptly be surpassed by another organization which benefits from the market
development rate. Be that as it may, if the systems are fruitful, a Star can turn into a cash
cow over the long haul.

**Functional Areas Analysis**

Identifying and analyse the functional areas of a business ensure that all the activities are
carried out efficiently and that Arena Dorada can achieve its objectives and aims

The business will be divided in four specific areas:

- Economic-financial
- Operational resources- customer care department
- Human Resources
- Marketing

It is relevant to take in consideration that no functional area in a business organization
works alone. Especially in Arena Dorada is extremely relevant a continuous link and
interactions not only between people responsible for all the different functions but also
with the hosts.

All our employees will be well trained and equipped to provide excellent and
knowledgeable services as it relates to our business offerings. We know that if we are
consistent with offering high quality senior care service delivery and excellent customer
service, we will increase the number of our residents by more than 25 percent for the first
year and then more than 40 percent in subsequent years (Yonyx, 2014).²³

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2019, from http://corp.yonyx.com/customer-service/importance-product-knowledge-
customer-service/
Economic & Financial Analysis:

If Human resources is considered like the heart, Accounting and Finance represent the essence, the lifeblood of any business. Accountants will cooperate with the management for the purpose to make the best decision in the allocation of company resources. The finance functions will be more concentrated on planning, managing and obtaining funds, but also analysing the financial needs of Arena Dorada in the short- and long-term. (Yurtoğlu, 2018)

Finance and Accounting staff task:

- Record all the money earned and spent so that the senior managers always know how much profit (or loss) is being made by the business as well as how much money is currently held by the business.
- Financial accountants are concerned with the preparation of the statutory accounts. All companies must provide a Balance Sheet and Profit and Loss Account each year, and most produce a cash flow statement as well.

Functions:

- Keeping financial records
- chasing up late payments
- Analyse financial date to record financial transactions
- prepare the payroll and pay staff salaries
- cash flow management
- planning and budgeting (expansions, need money to fulfil specific aims and objectives linked to growth, marketing strategies for growth etc)
- financial accounting
- cost allocation and control (where the money goes towards each area needed in the Senior Village)
- Producing invoices, checking payments are received and chasing up overdue payments
- recording money received

- Monitor the budgets to make sure not overspending

**Operational Resources and customer care Analysis:**

While the operational resources department will make sure that all the process from planning, organizing until the execution of each activity has no problem, the customer care department will use a strong point the efficiency of the operational department as a tool to develop a strong relationship with customers with the goal of making them more and more loyal.

Moreover since, Arena Dorada is a “small organization” the administrator is often a ‘jack-of-all-trades’ who can turn a hand to anything.

- Opening the mail
- Preparing and filing documents
- Sending emails and faxes.
- Sometimes require more creativity and flexibility, such as arranging important events for the senior village, from staff meetings to visits by investors or new customers.
- Be able to deal with external customers who judge the business on the way their enquiry is handled. Poor or sloppy administration can be disastrous for our company’s image and reputation.
- Responding promptly to enquiries (customer expectations are high. When people contact a business they expect a prompt, polite and knowledgeable response)
- Making arrangements for our visitors
- Administrations will make sure that everything runs smoothly
- Answering our customer enquiries about what our service is about
- Provide specialize information and advice to meet our customer needs
- Solving customer problems

**Human Resources Analysis:**

A human resource director is necessary in order to ensure one of the most important rule of Arena Dorada: recruiting only extremely well experienced and qualified employees. Leverage on their expertise will be a strategy to build the business brand awareness that is also linked with a prosperous profit that will benefit not only the stakeholders but also all the management staff. At the same time, Arena Dorada looks after all the staff on the
basis that if they are well trained and committed to the aims of the business, all the organization is more likely to be successful.

All the employees will attend an induction program to tell them about the business, their rights and responsibilities as employees, the company rules and the requirements of their new job.

- HR is responsible for recruiting new employees and ensuring that each vacancy is filled by the best person for the job.
- HR aims to ensure that the business retains good, experienced staff.
- Employees normally have basic expectations of their employer. In Arena Dorada staff will always be treated with respect, a essence of home, safety and always have appropriate working conditions, have training opportunities, which will improve their promotion prospects, and support if they are ill or have serious personal problems.
- Arena Dorada believe in a life-long learning. That is why we are going to provide frequently training to our employees in order to improve their professional growth.
- HR will monitor employee working conditions, having staff welfare policies and ensuring that company pay rates are fair and competitive.

HR staff tasks:

- Advertising job vacancies
- Notifying staff of promotion opportunities
- Receiving and recording all job applications, arranging interviews and notifying candidates of the result
- Sending a contract of employment and other essential information to new staff
- Arranging staff training and encouraging continuous professional development
- Monitoring an ensuring the working conditions of staff
- Checking health and safety and keeping accident records
- Recording sick leave and reasons for absence
- Advising managers on the legal rights and responsibilities of the company and its employees
- Making sure that all employees are qualified and give their best in what they do daily.
The operational resources area will ensure that the service provided in Arena Dorada meets the quality, needs and expectations of the guests. A day-to-day control of activities, services, trips and whatever is required from our customers.

*Human Resources: Selection Process*

**Job posting:**

There will be a Career section on our website (www.arenadorada.com) where candidates can submit their application. Or, alternatively in case of job vacancies candidates can apply through LinkedIn and then redirect to Arena Dorada website.

**Filtering:**

There will be a first screening of the CV received.

The main basic requisites are:

- Candidates must have a professional experience of at least 5 years.
- Degree and official professional certificate are required.
- Being proficient in at least three languages: German, English and Spanish.
- Professional and positive attitude.

**Interview process:**

- Phone interview
- Personal interview
- Personal interview with the director of Arena Dorada

Once selected the new employee will be asked to participate in a two week training to get started with the job.

**Marketing Structure**

A marketing department is necessary in order to promote the business, driving sales and make the adequate researches that allow to identify the right target.

- Carry out market research to obtain feedback on potential and existing services
- Analyse the market research responses
- Start Promoting Arena Dorada services through a variety of advertising and promotional methods: press, TV, online, direct mail, sponsorship and trade shows or exhibitions (target both markets young and older people because even
if our service is for the old their families are also prospective clients at the time they see the service we offer)

- Obtaining and updating a profile of existing customers to target advertising and promotions appropriately
- Producing and distributing publicity materials, such as catalogues or brochures
- Designing, updating and promoting the company website (essential that the website is always accurate and full of needed information being updated regularly)
- Marketing will be responsible for the promotional activities which tell the customer what is available, such as by advertising, sales promotions and publicity campaigns.

**Definition of Strengths and Weaknesses**

**Strengths**

- **Astounding quality services:**

  The services presented to the residents encourage the confirmation of a stately and solid living in their own home. In the meantime, the recipients’ families are lightened and withdrawn by an important heap of consideration.

  - **Private pay:**

    Assisted livings are not secured by health care coverage designs, including Medicare. They are a private housing option that people and their families pay for; which is muddled in addition to it combating guarantee refusals. It additionally implies in the event that you screen your occupants well, you can make sure to get individuals who can bear to pay, which thus prompts a decent, consistent income stream.

- **Market growth:**

  The market for products and services for seniors is expected to increase from almost $320 billion in 2013 to $436.6 billion by 2018, representing a five-year compound annual growth rate of 6.4 percent, according to a new market research report by BCC Research. The world population of people aged at least 65 years is growing at an unprecedented pace, driven by better healthcare, nutrition and a dramatic decrease in infectious disease exposure, according to the firm.

  - **Satisfied beneficiaries:**
In their lion’s share the recipients are happy with the administrations given by the program.

- Wide social acceptance.
The program enjoys a wide social acceptance throughout Europe, and it has been announced as one of the best services provided by the municipalities.

- Experienced faculty:
The work force is normally hired depending on the needs for each department and each structure; since its foundation and in this way is completely mindful of the structure's working subtleties and has aggregated a very important experience identified with adequately manage each specific case which emerges.

- Great connections among staff individuals.
The foundation of good connections among specialists helps in enhancing the ordinary activities of the structure.

- Great associations with the overseeing specialist.
The foundation of good associations with the civil organization which is the overseeing expert aides in accomplishing a smooth generally speaking working.

- Partnerships with other social organizations.
Establishing networks with other social structures in the area (hospitals, health centers, pharmacies, social welfare) helps in providing high quality services.

- Innovative actions:
Each structure can undertake innovative actions in their local area which promote the structure image and social acceptance. In our case providing our customers with a unique home care service that is special and non-existent in the country where we are operating as well as in Europe.

**Weaknesses**

- Personnel shortages:
A physiotherapist and a psychologist is a must have in every type of caring services, because most of the structure beneficiaries face kinetic problems as well as psychological
and emotional distractions. Furthermore, the fact that in our institutions we will be hiring employees that have many linguistic knowledge such as English, is hard to find.

- **Cost of training the personnel:**

  Since our organization will only be in the start-up phase, there will be no initial training. This fact deprives workers from updating their knowledge and be aware of recent trends and advancements in their field of action, namely in nursing, in consultation, in psychological support, etc.

- **Job stress and staff burnout:**

  Many structures operate with the absolutely necessary personnel which in many cases is not enough to cover the increased needs. This, combined with pending decisions by the state about the program's consecutiveness and viability, creates stressful working conditions for the program's workers.

- **Shortages of equipment:**

  Many structures and especially start-ups operate with severe equipment shortages, not having the required or all the necessary equipment to deal with the customers' prerequisites and needs.
SWOT Matrix

objectives and Strategies

General objective

To be an inclusive and luxury community-based facility for the present and future members as well as all guests; delivering a rewarding and unique living experience in line with our core values. Ensuring that all our customers have the best facilities and services of the outmost highest standard while maintaining our financial stability growing with time and providing our residents with excellent value for their money.

Elements

- Governance and Management**
- Finance **
- Supporting Facilities**
- Employee attraction and retention **
- Mission driven core values**
- Customer service
• Website Visibility  
• Generate sales  

**Employee attraction and retention**

Our Goal for Arena Dorada facility is to be known as a preferred employer in its market area.

**Challenges**

- Attracting and retaining top management and staff.
  - Ensuring staff continuity by maintaining a work environment culture where members are known and recognized for their efforts
- Offering competitive wages and benefits.
- Developing new leaders and succession planning.

**Actions**

- Evaluate the marketplace and Arena Dorada’s current compensation plan to see that our business offers have competitive pay rates.
- Enhance the staff training and development plan so that the facility encourages staff growth and retention.
- Maintain and increase relationships with leading hospitality schools in our sector to attract top talent to Arena Dorada
- Explore creative ways to solve staffing needs.

**Good Governance and Management**

**Challenges:**

Develop and maintain an effective governance/management structure for the business to ensure the best possible management of: finances, staff, operations, and planning on behalf of its residential members, within a framework of accountability and transparency so that the Board of Directors is at all times accountable to members and responsive to their rights and wishes.

**Actions**

- Within the Board of Directors, establish and maintain individual accountability (or portfolios) for various aspects of the business operation – Financial (the Treasurer) Facilities, Social Events, Marketing and Membership, etc.
Establish and maintain a reporting arrangement and regular reporting schedule for the staff members reporting directly to the Board and ensure that there are appropriate performance targets and annual performance evaluations for these positions.

Establish and maintain a business operations policy manual to help in the management of all Arena Dorada activities.

Complete an annual review of Arena Dorada Strategic Plan and amend as appropriate.

**Finance**

**Challenges**

To provide Budget and Financial Management Stewardship as well as leadership in the development and implementation of the senior village Five Year Capital Replacement Plan.

**Actions**

- Develop an annual operating budget with Managers input
- Present the proposed budget to the Board for approval
- Monitor all tasks in coexistence to the budget
- Develop a Five-Year Capital Replacement Plan and Reserve Fund Strategy
- Establish long-term financial goals hand in hand with Arena Dorada Strategic Plan
- Ensure compliance with all financial legislation, guidelines and policies

**Supporting Facilities**

**Challenges**

Knowing the importance of maintaining and providing the development of a vast range of facility areas for all residential curricular activities as well as personal leisure time, by backing up all services with the highest standards. Always welcoming, and hospitable employees with 24/7 availability when necessary. Maintaining all Arena Dorada Senior Village with current maintenance to housing, building, and all things within the residence.
**Actions**

- Having a maintenance staff on call as well as one person with ongoing payroll to be in disposal at all times
- Implementation of the POS system to track monthly sales from visitors and residents and this way keep track sales and inventory
- Always keep up to date and be on top of any necessary development of facilities both future and present ones as well as all other resources to help optimize the use of all space and equipment provided to customers and visitants with proper conservation.
- Establish an optional advisement form to be able to get feedback and recommendations regarding all facilities and services, deemed necessary.

**Uphold Mission Driven Core Values**

**Challenges**

To promote a community culture which values and respects within the residence will always be upheld, everyone must respect the etiquette, religion, beliefs and practices of all members of the Arena Dorada Community promoting an amiable, accepting and supportive environment for all visitors, members and staff.

**Actions**

- Ensure that minutes from Board meetings are available to access and talk about any problems or solutions going on at the moment
- A program for the introduction (form of orientation) for everyone to feel included, known and heard.
- Develop effective methods to encourage resident and staff feedback, implementing member's survey's every so often
- Hire and retain the right people for the business culture

**Customer service**

**Challenge**

As we know exceptional customer service is of out most importance in any business. Great service. Reputation is key for a business such as Arena Dorada Senior Village. Making sure great customer service provides the business with
higher profits by bringing out more clients, loyal customers, good word of mouth and publicity.

Actions

- Be able to offer attractive alternatives then what they have experienced before or believe about this lifestyle
- Measure employee satisfaction for them to perform their best
- Reinforce work environment
- Always responding to the customer feedback seeking improvement at all time
- Hel appraisals for employee satisfaction
- Take action of all or any negative comments to be resolved in the best and fastest manner

Website Visibility

Challenges

Use a program such as a website analytic software that gives reports of the number of visitors in and out of the website daily as well as weekly overall reports. As well as where the visitations are coming from (location) and how they came to find the webpage.

Actions

Ensure all analytic software reports are being put to use to raise website efficiency and always update and perform updates to target and optimize visits for more publicity according to the reports found.

Planning Phase

Marketing Plan

Building a marketing strategy is essential in a business plan to become effective. It focuses on all the marketing efforts necessary to achieve the specific business goal.

Arena Dorada will develop a marketing strategy that will aim to generate a long-term personalized relationship with all the residents. The marketing strategy will be developed in about seven/twelve months before the facility opening, while the physical promotion
and launch of the pre-marketing plan will start three months prior the opening. The marketing costs will be higher at this point considering the fact that the business will have zero revenues. The next step of the plan consists of a three-pronged marketing approach in order to build in the market the awareness of Arena Dorada brand but also to describe how and in what our service is different from the competitors and finally to communicate how our concept of independent living is an attractive alternative to consumer’s current situation.

**Segmentation**

Successful segmentation is the key in business and marketing management. Considering that Gran Canary is an island and it is possible to reach it just by plane, in order to identify the target is necessary to consider the number of flight to and from Gran Canaria. As it is possible to notice from the table attached below the countries targeted are Germany and United Kingdom. Both countries have Spain as a most popular and attractive destination.

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Passengers</th>
<th>Top Carriers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Düsseldorf, Germany</td>
<td>361,207</td>
<td>Condor, Eurowings, Norwegian Air Shuttle, TUI fly Deutschland</td>
</tr>
<tr>
<td>2</td>
<td>Oslo Gardermoen, Norway</td>
<td>338,787</td>
<td>Norwegian Air Shuttle, SAS, Thomas Cook Scandinavia, TUI fly Nordic</td>
</tr>
<tr>
<td>3</td>
<td>London Gatwick, United Kingdom</td>
<td>338,496</td>
<td>easyJet, Norwegian Air Shuttle, Thomas Cook Airlines, TUI Airways</td>
</tr>
<tr>
<td>4</td>
<td>Amsterdam, Netherlands</td>
<td>337,257</td>
<td>Corendon Airlines, Transavia, Vueling, TUI fly Netherlands</td>
</tr>
<tr>
<td>5</td>
<td>Stockholm Arlanda, Sweden</td>
<td>336,111</td>
<td>Norwegian Air Shuttle, SAS, Thomas Cook Scandinavia, TUI fly Nordic</td>
</tr>
<tr>
<td>6</td>
<td>Manchester, United Kingdom</td>
<td>333,566</td>
<td>easyJet, Jet2.com, Ryanair, Thomas Cook Airlines, TUI Airways</td>
</tr>
<tr>
<td>7</td>
<td>Frankfurt, Germany</td>
<td>261,519</td>
<td>Condor, Ryanair, TUI fly Deutschland</td>
</tr>
<tr>
<td>8</td>
<td>Copenhagen, Denmark</td>
<td>242,443</td>
<td>Norwegian Air Shuttle, SAS, Thomas Cook Airlines Scandinavia, TUI fly Nordic</td>
</tr>
<tr>
<td>9</td>
<td>Munich, Germany</td>
<td>233,265</td>
<td>Air Berlin, Condor, Norwegian Air Shuttle, TUI fly Deutschland</td>
</tr>
<tr>
<td>10</td>
<td>Hamburg, Germany</td>
<td>216,385</td>
<td>Condor, Germania, Norwegian Air Shuttle, TUI fly Deutschland</td>
</tr>
</tbody>
</table>

**Figure 13. European flights from the Canary Islands**

Not only there is a geographical necessity in order to identify the target but it is also necessary to segment the target more specifically. Income level, age, values, attitude and lifestyle are essential in order to find the right segment that suits perfectly with our business. Indeed, Arena Dorada is a luxury retirement home and that is why we are targeting two of the European countries with a high purchasing power outside their respective countries. Moreover, we are considering people over 55-60 years old of any sex condition and orientation that are already in pension or that are thinking about a place where to spend in the best way their golden years. Alone or in couple, of any ethnic
and religious background, we are looking for active, dynamic, open-minded people with a high education level ready to meet the same comfort zone and cosiness of his own place in our Arena Dorada luxury retirement home.

Geographic

- United Kingdom
- Germany

Demographic

- Age: 55-60
- Male, female.
- Pensioners
- Any religion or ethnic group

Psychographic

- Upper class
- High education level
- Dynamic, proactive, open minded, enterprising.
- Healthy, they don’t require particular health care.

Germany

The Germany’s 2017 population is 82,40 million and represent the 18th largest country by population, according to UN estimates. By 2050 it is expected to be the world’s 25th largest population, with a majority of the population aged 50+.(United Nations, 2015)²⁵

According to Eurostat data the 21.1 % represent the share of the elderly among the total population. (EU Average is 19.2). 11.5 % is the share of the elderly aged 65 to 74 years who are economically active (EU Average is 9.5%) And finally, the 63.3 % share of the elderly who travel (EU average is 48.6%). (United Nations, 2015)²⁶

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The overall ranking of the most important holiday destinations for German people abroad remained unchanged: Spain (that has also increased its leading role of 13.1 % in 2018 compared to the previous year).

German tourists in 2018 surpassed one million visitors in Gran Canarias with a growth of 5.5% in 2018 compared to 2017. Gran Canarias is the destination chosen by 32.5% of German tourists to spend their holidays. (SpainGranCanaria,2018)27

According to some researches 70 % of people in Germany plan to definitely go on holiday this year and a perfect location must be characterized by memorable experiences at the destination; being immersed in the local life and interact with local people. The good weather and nice scenery/views are also necessary. A high priority is also given to regional food and typical restaurants. (Coach Tourism Detail, 2019)28

Germany is the third country in the world with the highest proportion of millionaires right after the United States and Japan. During the 2016 there was registered a growth of 5% in the number of German citizens with an asset $820,000 or higher, overcoming the world average growth that is around 4%. (Woolsey, 2018)29

*United Kingdom*

The United Kingdom’s 2019 population is 66.96 million and represent the 21st largest country by population, according to UN estimates. (World Population review, 2019)30

As far United Kingdom population is concerned the 17.9% is the share of the elderly among the total population. (EU Average is 19.2). 16.6 % is the share of the elderly aged

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65 to 74 years who are economically active. (9.5 % EU AVERAGE) And finally the 59.6% share of the elderly who travel(EU average is 48.6%) (EuroStat, 2015)\(^{31}\)

In particular we can focus on the travels that British had in Gran Canaria: data show a market increase by a massive 13% (+102,000) bringing 890,000 tourists from the UK in 2017 compared to the previous year. British arrivals have more than doubled over the last 3 years (The Canary Awards, 2018)\(^{32}\).

According to Gran Canaria tourism statistics, 20% (about 800,000 tourists) of British tourists have come more than ten times in the Canary Island. It is a pretty high proportion.(The canary Awards, 2017)\(^{33}\)

Moreover, around 247,000 British citizens aged 65 and over live abroad in other European countries. In particular we can focus on Spain and as we can see from the chart 120 thousand of British decide to go to Spain as a destination to live their golden years.(Office for National Statistics, 2017)\(^{34}\)

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\(^{34}\) Pensioners in the EU and UK. (2017, September 5). Retrieved April 27, 2019, from https://www.ons.gov.uk/economy/investmentpensionsandtrusts/articles/pensionersintheeuanduk/2017-09-05
Figure 14. Destinations chose by British Citizens

According to data from the Office of National Statistics (ONS) there is a sharp rise of over-65s living in households with a wealth of £1 million or more. In particular, one in five people aged 65 and over has total household wealth of more than £1 million and their cumulative wealth is £4.7 trillion. The growth has been driven principally by rises in the value of pension funds, property, investments in shares and other savings. (Hurst & Social Affairs Editor, 2019)35

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35 Hurst, G., & Social Affairs Editor. (2019, January 17). One in five pensioners is a millionaire as young miss out. Retrieved March 27, 2019, from https://www.thetimes.co.uk/article/one-in-five-pensioners-is-a-millionaire-as-young-miss-out-ts53qvjzt
Marketing Policy

Arena Dorada marketing policy will reflect our business code of ethics.

Positioning

A virtuous brand positioning is vital for the company. According to the table below there are eight different types of positioning strategies:

<table>
<thead>
<tr>
<th>Types of positioning</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mono-segment</td>
<td>Positioning appeal is made towards a single customer segment</td>
</tr>
<tr>
<td>Multi-segment</td>
<td>More than one segments are exploited at the same time with different products or service packages</td>
</tr>
<tr>
<td>Standby</td>
<td>Specific positioning of the product/service awaiting changes in the market to find demand</td>
</tr>
<tr>
<td>Anticipatory</td>
<td>Positioning of products or services for a market segment that has low turnover with the anticipation that the turnover will increase in the future</td>
</tr>
<tr>
<td>Imitative</td>
<td>Close imitation of positioning strategies of market leaders</td>
</tr>
<tr>
<td>Adaptive</td>
<td>Periodical repositioning of products and services according to changes in the segment</td>
</tr>
<tr>
<td>Defensive</td>
<td>This type of positioning is usually used by market leaders through introducing an additional brand in the same industry in order to deter other companies from entering the industry</td>
</tr>
<tr>
<td>Stop-gap</td>
<td>Making investments in currently unprofitable brand due to profitability expectations on long-term perspective</td>
</tr>
</tbody>
</table>
Table 3. Types of positioning and their explanation Adapted from Bennett et al. (2011)

Arena Dorada will follow the Mono-segment positioning strategy with the aim of meet the wants and the needs of a single consumer segment: We are targeting the niche German and British market based on elderly people aged 55-65 that have a high level of income around 200,000 euros/person or couple per year.

Sales forecast

Next table shows the sales forecast.
### Table 4. Sales forecast

Figures, based on estimations, show that not before the sixth month Arena Dorada could reach an occupancy higher than 50% with an approximation of 24 residents and a net revenue of 670656 euros. The 100% of occupancy is expected to reach on the 4th year with a net revenue of 13413120.

<table>
<thead>
<tr>
<th>Time</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupancy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Occupied</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>20%</td>
<td>40%</td>
<td>60%</td>
<td>70%</td>
<td>70%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
<td>85%</td>
<td>95%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Residents</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>8</td>
<td>16</td>
<td>24</td>
<td>28</td>
<td>28</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>34</td>
<td>38</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic Pack</td>
<td>48000</td>
<td>48000</td>
<td>48000</td>
<td>64000</td>
<td>128000</td>
<td>192000</td>
<td>224000</td>
<td>224000</td>
<td>256000</td>
<td>256000</td>
<td>256000</td>
<td>272000</td>
<td>3648000</td>
<td>3840000</td>
<td>3840000</td>
</tr>
<tr>
<td>Additional services</td>
<td>119664</td>
<td>119664</td>
<td>119664</td>
<td>159552</td>
<td>319104</td>
<td>478656</td>
<td>558432</td>
<td>558432</td>
<td>638208</td>
<td>638208</td>
<td>638208</td>
<td>678096</td>
<td>9094464</td>
<td>9573120</td>
<td>9573120</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>167664</td>
<td>167664</td>
<td>167664</td>
<td>223552</td>
<td>447104</td>
<td>670656</td>
<td>782432</td>
<td>782432</td>
<td>894208</td>
<td>894208</td>
<td>894208</td>
<td>950096</td>
<td>12742464</td>
<td>13413120</td>
<td>13413120</td>
</tr>
</tbody>
</table>
**Marketing mix**

![Marketing 4Ps Diagram](image)

**Figure 16. Marketing 4Ps**

*Product- BRAND*

![Arena Dorada's Logo](image)

**Figure 17. Arena Dorada's logo**

This Logo represents the steering wheel that will guide you into the sailing adventure that your new life will be. Portraying guidance smooth sailing and excitement to a luxury lifestyle to your golden years. The gold colors represent what will always be at your disposal in your new day to day life, the relaxation of going to the beach digging your toes.
in the sandy beaches with the calming and relaxing waves in front of you. As well as resembling the elegance and splendor that will be surrounding you in Arena Dorada Senior Village.

**Price policy**

Organization use price strategies to properly price their product or service in line with the current market demand. The price strategy matrix below shows how different levels of quality and quantity combine each other could help a business to form the correct pricing strategy.

![Price Strategy Matrix](image)

**Figure 18. Price Strategies**

Arena Dorada will develop a strategy based on a *Premium* price policy.

Our price objective is to get higher profit margins in a luxury niche market. Our client will enjoy the finest and the highest quality service. The price will be based on the following criteria:

- **BASIC PRICE:** 8000€
- **HEALTH** (Nutritionist, helzheimer, spa, beauty) ➔ 1500€
- **TRAVELS** (Canary Island, Spain, Marocco, sailing trip, ...) ➔ 2000€
- **CUSINE** (you can order different cuisines from the world once a day all week. A chef will cook directly privately in your house) ➔ 2500 €
SPORTS (Golf, tennis, dance, yoga, sailing, polo, cricket...) → 2500€

BASIC PRICE + ALL PACKAGES = 15,000 per month.

PET → 300 EUROS (bed, beauty, vet...)

Convention with hotel for parents. Extra supplement.

Advantages of this pricing strategy is that it is possible to achieve not only the highest profit margin but also it helps to enhance the brand identity.

Among the disadvantages there is of course the difficulty to initiate and maintain the same strategy. Sales volume could be low compared to the costs or it could be difficult to meet the demand and using a premium strategy this risk could be definitely significant.

Place

The choice of Canary Island and then Gran Canaria is not casual. The island is well-known for the excellent quality of life that makes the island as not only the perfect place to live, but also it offers a good business environment too. The island boasts about 300 and over of sunshine days a year. Its climate has been recognized as one of the healthiest in the world by the World Health Organisation; a climate that encourages an active and dynamic life outdoors, creating a way and a quality of life that fascinates everyone. This is the main reason why old people chose Gran Canarias as a holiday destination. It is also relevant to mention the wide range of landscapes, animal, plant species and remarkable subtropical forests that characterized the island. A good connection with the other islands and with Spain and Morocco is also considered a great positive factor. One of the greater assets is that Gran Canarias has a more and more high proportion of well-trained young people thanks to the educational opportunities offered. Research and development resources are also big enough to consider the island as a vibrant and technologically attractive environment. The quality of health services is equals or even higher than those of any big European city. Moreover, the cost of living in Gran Canary is definitely lower compared to the main European cities. Canary Islands special zone (ZEC) is also a very attractive factors especially for taxes reasons: business set up within the ZEC have to consider a level of taxation of the 4%. To conclude, Gran Canary represent a significant and attractive business environment.

Communication policy

Arena Dorada is going to implement different communication and promotional strategies that aim to build a long term relationship with potential or already members.
It is important to build a warm and dynamic affection. In order to achieve this goal, the marketing department will use different channels.

**Distribution**

The communication strategies are organized by category as follows:

1. Public relations
2. Advertising
3. Digital marketing

The main philosophy of Arena Dorada marketing is to emphasize the public relation in a concept of referral/ networking marketing. The core strategy of the marketing strategy will be to build relationships with key organization and individuals, such as famous sportive representative or private clinics, as it is possible to see in the referral marketing plan. This type of marketing is mostly effective in a niche market mainly composed by seniors.

The Arena Dorada staff will be present in social, civic and church organization, according to the lifestyle of our target both in UK and in Germany in order to increase the awareness about our luxury services.

<table>
<thead>
<tr>
<th>STRATEGIES</th>
<th>INTRODUCTORY PHASE</th>
<th>GROWTH PHASE</th>
<th>MATURITY PHASE</th>
<th>DECLINE PHASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SERVICE</td>
<td>Offer the four options</td>
<td>Offer the four options</td>
<td>Offer the four options</td>
<td>Offer the four options</td>
</tr>
<tr>
<td>PRICE</td>
<td>Charge cost plus</td>
<td>High margin</td>
<td>Higher margin</td>
<td>Cutting prices</td>
</tr>
<tr>
<td>DISTRIBUTION</td>
<td>Build distribution</td>
<td>Intensify distribution</td>
<td>Match competitors</td>
<td>Overcome competitors</td>
</tr>
<tr>
<td>ADVERTISING</td>
<td>Build awareness</td>
<td>Increase awareness</td>
<td>Stress brand differences</td>
<td>Focus on loyal customers and their family &amp; friends</td>
</tr>
<tr>
<td>SALES</td>
<td>Heavy promotion (1 week for trying, family discounts...)</td>
<td>Reducing promotion</td>
<td>Encourage luxury brand switching</td>
<td>No promo</td>
</tr>
</tbody>
</table>
In particular the marketing strategy will be developed in the following channels:

**Referral Marketing**

Considering the type of business and the niche market, Arena Dorada will use a referral-marketing plan to promote its facility. Basically, it is based on the concept "word-of-mouth marketing." In order to encourage this plan a 10 percent of discount on lodging fees for six months will be guaranteed to all the members who refer about Arena Dorada and make their friends and family becoming part of our community.

The “word-of-mouth marketing” will be also established through professionals. We will visit before the opening of our facility the most popular private clinic, plastic surgery clinic, financial planners, owners or responsible of private luxury structure and sporting or country-clubs in Germany and UK but also in Gran Canary.

**Newsletter**

Every potential interested client who will visit Arena Dorada village or simply request information will be kindly asked to provide the mailing address; it will allow the marketing department to send monthly newsletter via email or via post informing about news, activities but also important topic like how a community village could allow seniors to full enjoy their golden years, financial advices and considerations but also how a professional trained staff can look after them meeting completely their needs. Moreover, a regular online newsletter will address a select segment of professionals or everyone who could be a point of reference for the business including the relatives of the guests. All the newsletters aim to build a warm and dynamic relationship with potential members or already residents entertaining their reading and stimulating their curiosity.

**Mailing**

With a budget of about 2,000 € a mailing list company will be involved in the marketing project. It could help to develop a targeted list of possible and potential members but also professional staff who could be part of Arena Dorada community. Once the list will be ready, the marketing department will send a mail with an introduction letter and a
brochure attached explaining the added value and all the benefits that living in a community could bring, but also providing information and answering to the “frequently asked questions”.

Web Page

“Statistics tell us that even three years ago over 60% of the Baby Boomer generation owned a smart phone.” (Starr, 2019) With this in mind all our websites and advertisements will be mobile friendly.

At a cost of roughly 15,000 € Arena Dorada will hire a graphic designer and copywriter to create an efficient, simple and attractive website that will include virtual tours of all the property and specific views on any particular treatment, activity and service provided to your disposal. For the benefit of all potential customers it will allow to have both a chat box for all questions customers might have as well as a call/video chat for a more personal touch for any concerns. It will as well have the option to send you all information through mail in pamphlets and brochures if that’s the way any individual would prefer to obtain their information. Current Arena Dorada members residing will be able to access and manage the personal account of registered users; with the option of them finalizing payment but more importantly to manage their day to day inside Arena Dorada. Being able to change any preferences, creating their daily schedules, signing in or out of any class activities, viewing all information on times and location. And giving feedback and requests to optimize the service given to them.

Web Page Positioning

In addition to creating a well worthy web page with easy access for everyone going in it, it is equally or even more important to make sure that it comes up as much as possible in different search engines. This will be done with search engine optimization. Google is the number 1 search engine in Europe having the majorities choice by 93.63%.

With this in mind to obtain high ranking in google the following criteria’s will be used:

- Identified keyword opportunities is important: by composing the wording on the web page our site will come up when these words are used. Using a keyword tool finding out what words would be popular for our particular market in UK and Germany.
  - Ex: assisted living accommodation, retirement, retirement activities, single holidays over 50 (search engine of 2900 volume), best places to live in the world (3,600 volume)
- Coding and implementation
- speed of site performance
- Marketing and link building: Making sure other websites have our webpage (blogs, retirement agencies, high end country clubs.)
- Ranking Report and tracking: Pay for private proxies with a monthly retainer to be able to see fresh data from the web. Scraps search results and more to be aware of any changed needed to be made, what word optimization is working and what can change to target our market better.

By following these steps Arena Dorada will optimize its engine search targeting future residents for Arena Dorada in both UK and Germany.

_Incorporating Bing to Market Strategy_

Arena Dorada will be marketed as a high-end luxury way of living, even though as said before Google is the number one search engine the specific market is still that 1% of the population. People who are above average and are able to pay such fees month to month. The marketing team will be able to target the 26% of users in the UK using Bing and 12% users in Germany. Even though these numbers don’t seem like the highest percentages, these are potential clients with a already known and stablished high household income. It lets you reach 59 million people who aren’t reached on google. The network’s real value is the fact that binge can get an additional 118 million eyes on our business where a third of those eyes go hand in hand with six-figure incomes. (Finn, 2018)


Pag 80 out of 103
Newspaper Campaign

“Luxury magazines will always have a place with the elite.” (Roxy Génier, 2018)38

Even though nowadays you reach more people with online advertising, there is always the few who like to do their monthly luxury magazine purchase. Arena Dorada will reach out to lifestyle magazines that are popular between the desired demographic and psychographic targeted and have our Arena Dorada Ad campaign inside them. Where its value of being upscale, worthy of its value and elegance will be shown.

Magazines: Departures, Upscale Living, Travel&Leisure and Le Grand Mag

Social Media Campaign

With social media on the rise we can’t stop having the support of social media accounts. To reach out other prospective consumers Arena Dorada will be partnering with ambassadors who will help promote our brand and make known our services through out their social media accounts.

- A good brand ambassador must be relevant.
- A good brand ambassador must have credibility.
- A good brand ambassador must have good connections. (Cleverism, 2018)39

UK

Phillip Clive Roderick Tufnell: ex British cricketers, known internationally.

Ben Ainslie: one of the most British successful sailors.

Christopher Biggins: actor and television presenter.

GERMANY

Boris Becke: ex tennis player, famous worldwide.

Til Schweiger: actor and producer


Anne-Sophie Mutter: violinist popular worldwide

Local Luxury Events

It is important that all the groups of people that see ad’s, website or anything related to what Arena Dorada is, visualize self-care retirement living as a golden retirement. Knowing it will be independent, comfortable, magnificent and a pleasure-loving experience. Our goal will be to make a point across by changing the stigma of what some people believe when they here the words retirement and home together. To get this message across there will be special events in both the United Kingdom and Germany to portray this new way of life after retirement as well as everything Arena Dorada will have to offer. The events will be promoted in all fronts of our reach as well as to all members from the country clubs venues. Aside from catering and top Koch champagne the experience will be shown in most elegant and tasteful manner with a well-made video presentation, a short ongoing video that will continuously play and our printed brochures and packages available ready to go. Arena Dorada staff will be there for all questions and concerns at all times. The events will take place in high end country clubs where our customer demographics will be found.

UK Country Clubs:

- The Hertfordshire Gold & Country Club
- MacDonald Lindel Hall Golf & Country Club
- The Lanesborough

GERMANY Country Clubs:

- China Club, Berlin
- Sporting Club Berlin Schrmützelsee
- Berlin Capital Club

Operations and logistic plan

Objectives

The main objectives of operations are: customer acquisition and contract closure, providing the service and the service finalization. Obviously, to accomplish with the main objectives, smaller goals are defined (in Client Touchpoints section).

The company aims to:
- Perform all the services with premium quality going far beyond the customer expectations.
- Be a reference in the sector for other companies and for all the potential clients.
- Perform all the tasks in time.

**Diagram**

In this section the flow of operations is shown, including the general steps the client flow since the moment he/she perceives the brand. The detailed steps will be shown in next section.

![Operation Diagram](image)

**Graph 2. Operation Diagram**

**Client touchpoints**

The customer attraction starts in the moment a potential customer is aware of the brand and the contact between the customer and the company takes place. The main objective here is to keep the customer interested in the service. The client contact can
be performed through telephone or email, what is more comfortable to the client and as soon as possible meetings will be arranged for making the process as personal and close as possible.

If the client signs the contract, the service will be provided, while if finally, he/she does not sign the customer attraction process starts again with new potential customers.

As soon as the contract is signed, the service starts, and it can be divided in several parts till the contract finalization.

**Graph 3. Client touch points**

**Finance Plan**

Start-up Expenses

One of the biggest items in our Start-up spending plan is an electronic medicinal records framework. Notwithstanding the conspicuous advantage and benefit of permitting various care-team members to effortlessly trade data as they change shifts,
this framework will enable our inhabitants and staff to monitor endless conditions, screen steady however genuine changes in condition which may be neglected in everyday collaborations, and validate quantifiable restorative information for our Medicare patients in the skilled service.

Start-up Assets

Current (Short-term) Assets incorporate €75,000 of start-up stock (sheet material, cleaning, medicinal supplies, nourishment... ) and non-expensed, littler restorative hardware that will devalue and depreciate rapidly, and should be supplanted in year four or five.

Long-term resources incorporate our territory, as of now evaluated at 1300000 € barring development and remodels. This class incorporates new Long-term Assets required as pursues: 150,000 € for (long haul, resalable) restorative and other gear, and 1,000,000 € for introductory goods for both the authoritative part and the 20 houses, after the development.

Medical Equipment:

- 4 Fully-loaded Crash Carts
- Standard monitoring equipment (blood pressure, sugar, etc.)
- Call-button system
- Hospital patient supplies

Investment and Funding

<table>
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<tr>
<th>Sources</th>
<th>Uses</th>
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<tr>
<td>Shareholders</td>
<td>1 300 000,00 €</td>
</tr>
<tr>
<td></td>
<td>Land Acquisition</td>
</tr>
<tr>
<td></td>
<td>1 300 000,00 €</td>
</tr>
<tr>
<td></td>
<td>Building Construction</td>
</tr>
<tr>
<td></td>
<td>6 000 000,00 €</td>
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<tr>
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<td>Capital Leases</td>
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<td></td>
<td>Pre-Opening Marketing</td>
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<tr>
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<td></td>
<td>Opening Inventory</td>
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<td></td>
<td>75 000,00 €</td>
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<td></td>
<td>Furniture and decor</td>
</tr>
<tr>
<td></td>
<td>1 000 000,00 €</td>
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### Table 6. Funds sources and uses

**Financial Statement**

ARENA DORADA Luxury Village - Balance Sheet

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<thead>
<tr>
<th>Assets</th>
<th>Start year</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
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<td>301</td>
<td>436</td>
<td>460</td>
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<td>0</td>
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<td>351</td>
<td>486</td>
<td>510</td>
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<tr>
<td>Long Term Assets</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Furniture</td>
<td>1000</td>
<td>1000</td>
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<tr>
<td>Land</td>
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<td>1300</td>
<td>1300</td>
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<td>Buildings (net of depreciation)</td>
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<td>5700</td>
<td>5400</td>
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<td>Total Long Term Assets</td>
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<td>8000</td>
<td>7700</td>
<td>7400</td>
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<td>8351</td>
<td>8186</td>
<td>7910</td>
</tr>
<tr>
<td>Liabilities</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank operating Line</td>
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<td>Accounts payable</td>
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<td>Income Taxes payable</td>
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<td>23</td>
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<td>72</td>
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<td>36</td>
<td>36</td>
<td>36</td>
<td>36</td>
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<tr>
<td>Current portion of Mortgage Payable</td>
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<td>300</td>
<td>300</td>
<td>300</td>
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<td><strong>Total Current Liabilities</strong></td>
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<td><strong>Long-term Liabilities</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Capital leases</td>
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<td>142</td>
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<td>5700</td>
<td>5400</td>
<td>5100</td>
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<td><strong>Total Long term Liabilities</strong></td>
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<td>5542</td>
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<td><strong>SHAREHOLDERS' Equity</strong></td>
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<td></td>
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<tr>
<td>Paid in capital</td>
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<td>1300</td>
<td>1300</td>
<td>1300</td>
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<tr>
<td>Retained earnings</td>
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<td>0</td>
<td>43</td>
<td>134</td>
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<tr>
<td>Net income</td>
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<td>1173</td>
<td>1301</td>
<td>1270</td>
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<td><strong>Total Shareholder's Equity</strong></td>
<td>1300</td>
<td>2473</td>
<td>2644</td>
<td>2704</td>
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<td><strong>Total LIABILITIES &amp; EQUITY</strong></td>
<td>8625</td>
<td>8351</td>
<td>8186</td>
<td>7910</td>
</tr>
</tbody>
</table>

*Table 7. Balance Sheet*
Assumptions

- Arena Dorada is planning on taking a commercial mortgage that is about 75% of the worth of the project in other words €6 million, with a leverage of 80%. This is a proportion of loan-to-value proportion to perceive the amount you’re getting in connection to how much the property is value. On the off chance that it’s a venture, at that point the sum you can acquire will be controlled by the rental salary created by the speculation, however this won’t surpass 75% of the price tag.

- As for the amortization of the commercial mortgage that the management is planning on pursuing will be over 25 years.

- The project will have to obtain a lease for the amount of €250,000 in order to finance all the expenses related to the interior decoration, including kitchen supplies and the high-tech apparatus.

- The lease will have an anticipated amortization of 7 years.

- As for the most important asset that we possess; which is the main building, it will have an amortization period of 20 years

- As mentioned in the funds table, the initial capital will include an important part coming from the company’s own shareholders.

Analysis

The establishment of a balance sheet allows to know the financial situation of its company, to evaluate it, and to determine its solvency. In addition, for the entrepreneur, the balance sheet analysis is an excellent tool to help make strategic decisions for your company. For financial partners, it is also a way to assess the financial structure of the company.

- The current ratio is a liquidity and productivity ratio that estimates a company’s capacity to satisfy its transient liabilities with its present resources and assets. It is a significant proportion of liquidity since momentary liabilities are expected inside the following year. Based on the calculation at day 1 it will be 1.04:1. This suggests the organization will be fluid, liquid and ready to make progressing astonishingly due, yet with a support. By Year 3, the ratio will increase to 1.51;
thus, the liquidity will keep on increasing with the big growing. It is more in accordance with industry standards of at least **1.22:1** (Bizstats, 2017)

![Current ratio graph]

**Graph 4. Current ratio**

- The debt to equity ratio is a monetary and liquidity ratio that thinks about an organization’s absolute obligation to add up to value. It demonstrates the level of organization financing that originates from banks and speculators. A higher value demonstrates that more lender financing from bank credits is utilized than from shareholders.
  
  At year 1, the ratio demonstrates that the organization will be profoundly levered at **2.28:1** versus industry midpoints of route under **2.00:1** the same number of various outcomes were introduced; in any case, they all went beneath 2.00:1. That prominent, the underlying influence isn’t unordinary during the start-up period of an organization in this industry where the property is possessed. The reason of the high influence is the critical expenses to build up the property, driven to a limited extent by high neighborhood land costs.

  Despite the above mentioned, the leverage is appeared to progress as the final year has seen a debt-to-equity ratio of **1.80:1**, this aligns influence significantly more with industry standards.

---

Graph 5. Debt to Equity ratio
<table>
<thead>
<tr>
<th>Occupancy</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Occupied (before vacancy)</td>
<td>$15%$</td>
<td>$15%$</td>
<td>$15%$</td>
<td>$20%$</td>
<td>$40%$</td>
<td>$60%$</td>
<td>$70%$</td>
<td>$70%$</td>
<td>$80%$</td>
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<td>$85%$</td>
<td>$95%$</td>
<td>$100%$</td>
<td>$100%$</td>
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<td>Residents</td>
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<td>6</td>
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<td>32</td>
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<td>32</td>
<td>38</td>
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</table>

<table>
<thead>
<tr>
<th>Revenue</th>
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<td>Basic Pack</td>
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<td>Additional services</td>
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<td>Net Revenue</td>
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<td>Direct Costs</td>
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<td>Food and Beverage</td>
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<td>Total Direct Costs</td>
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<table>
<thead>
<tr>
<th>Personnel</th>
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</thead>
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<tr>
<td>Administrative &amp; General</td>
</tr>
<tr>
<td>Maintenance</td>
</tr>
<tr>
<td>Resident Care Services</td>
</tr>
<tr>
<td>Kitchen and Meal Services</td>
</tr>
<tr>
<td>Activities</td>
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<tr>
<td>Other</td>
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<tr>
<td>Total Personnel</td>
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Table 8. Breakeven point and net income forecast

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<tr>
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<th></th>
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<tbody>
<tr>
<td>Repairs and maintenance</td>
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<td>Bank Charges and fees</td>
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<td>Insurance</td>
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<td>322.5</td>
<td>322.5</td>
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<td>1500</td>
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<td>1500</td>
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<tr>
<td><strong>Total Administrative</strong></td>
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<td>11723</td>
<td>11723</td>
<td>11830</td>
<td>12260</td>
<td>12690</td>
<td>12905</td>
<td>12905</td>
<td>13120</td>
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</tbody>
</table>

| Other                          |      |      |      |      |      |      |      |      |      |
| Mortgage Interest              | 30000| 30000| 30000| 30000| 30000| 30000| 30000| 30000| 30000|
| Amortization                   | 23097| 23097| 23097| 23097| 23097| 23097| 23097| 23097| 23097|
| Utilities                      | 5480 | 5480 | 5480 | 5480 | 5480 | 5480 | 5480 | 5480 | 5480 |
| Property Taxes                 | 5400 | 5400 | 5400 | 5400 | 5400 | 5400 | 5400 | 5400 | 5400 |
| Equipment Leases               | 6833 | 6833 | 6833 | 6833 | 6833 | 6833 | 6833 | 6833 | 6833 |
| Management Fees                | 25000| 25000| 25000| 25000| 25000| 25000| 25000| 25000| 25000|
| **Total Other**                | 95810| 95810| 95810| 95810| 95810| 95810| 95810| 95810| 95810|

| Total Operating Expenses       | 175733| 175733| 175733| 176640| 180270| 183900| 185715| 185715| 187530|
| Operating Income               | -8066.5 | -8069 | -8069 | 46912 | 266834 | 486756 | 596717 | 596717 | 706678 |
| Income Taxes                   | -1210.3 | -1210 | -1210 | 7036.8 | 40025 | 73013 | 89508 | 89508 | 108002 |
| Net Income                     | -9278.8 | -9279 | -9279 | 53949 | 306859 | 597879 | 686225 | 686225 | 812680 |

Table 8. Breakeven point and net income forecast
Income Statement

Assumptions

- As previously stated, this type of industry allows the business to have the least amount of accounts receivable or sometimes inexistent. The reason behind it, is that the revenues will be mainly generated with cash, direct deposits or credit cards.

- After talking about the collection process, time to mention the payment of our major suppliers. The projects’ suppliers will be paid accordingly and on-time using either cash or check. And since our major buying will be food and similar commodities, then we can overlook the accounts payables as well.

- One important aspect not to neglect is the inventory management, as if not managed correctly could become a very difficult expense to manage. The project’s will essentially contain staple goods and commodities, for example, food and medicine and so forth.

- The rates that we will be offering will be stable for the first 3 years of the project; however, the labor costs will be slightly increasing yearly for approximately 3%; as it is expected to reflect the inflation.

- Moving on to an important aspect for us as both shareholders and the project’s owners, the building will be annually depreciated in a straight-line for over 25 years.

- As mentioned in the funding part, the land will be funded by the investors for an amount of € 1.3 million, as for the €6 million mortgage it will financed over a period of 20 years at an interest of 5%.

Analysis

- Contrasting to numerous new startups, at venture off, Arena Dorada is relied upon to appreciate a very reasonable productivity given industry elements. Nursing FACILITIES are frequently seen like multi-unit investment properties. Multi-unit properties can be considered as a positive aspect, as in these type of properties as long as the product itself is in a good quality and is well priced; then, the endeavor ought to have the option to create a little benefit in Year 1.

- The return on investment that all three investors are relied upon to get on speculation would be approximately of 3.60% in Year 1, improving to 11.30% in Years 2 and 3. While this may show up somewhat low, it is significant there are
required to be long haul returns on the land too, however those are not figured into the computation. Notwithstanding it being better than expected industry average of 6.80% (Csimarket, 2018)\(^4\)

- Since Arena Dorada is requesting an enormous loan for its structure, it is imperative to indicate adequate income to COVER interest installments. As appeared, Debt Service Coverage will be 1.13:1 in Year 1 improving to 1.41:1 and 1.42:1 in Years 2 and 3 from there on. Industry standards and traditional bank financing direct 1.45:1 as adequate inclusion. (Financial Ratios, 2018)\(^5\)

Break-even Analysis

\[\text{Net Income} \]

Graph 6. Break-even Analysis


Based on the graph above, it is noticeable that the project’s break-even will occur during the first 4 months of the starting year; and will continue increasing at a very steady yet at an up-ward trend. A business like the one we are presenting in this business plan does not normally break-even until the second year, since the marketing and the advertising costs, keeping in mind the building and the other starting costs, are extremely high; however, in this case since we are offering a service targeting the upper-class, the high prices balance the equation.

**Cash Flow Statement**

*Revenue Streams*

Majority of revenues will be derived from two sources: the luxurious accommodations that we will be providing depending on the chosen type, and the ancillary services.

*Main revenue:*

« Rents » or accommodation including the basic luxurious features that will be integrated are private pay, though it is expected as governments increasingly recognize the cost effectiveness of the for-profit assisted living industry as an alternative to conventional nursing facilities, government subsidies will become more the norm and benefit for profit facilities by bringing costs within reach of a wider market.

Combined, it makes up approximately 90% of sales volumes broken down as follows:

Revenue from the basic pack: 20 units at €8000/Month= 160000€

Ancillary services include spa sessions, custom meal options, rehabilitative services, transportation, wellness and personal care.

While it is difficult to accurately predict the revenue per resident on ancillary services, industry averages indicate approximately $100/month is achievable with relatively few services sold. The breakdown is shown in

*Extra-services:*

Ancillary services include spa sessions, custom meal options, rehabilitative services, travel services, wellness and personal care.

While it is difficult to accurately predict the revenue per resident on ancillary services, industry averages indicate approximately $100/month is achievable with relatively few services sold. The breakdown is shown in Table 10.
- HEALTH (Nutritionist, spa, beauty treatments..): 1500€
- TRAVELS (Canary Island, Spain, Morocco, sailing trip..): 2000€
- CUISINE (Private chef on a daily basis): 2500 €
- SPORTS Pack (Golf, tennis, dance, yoga, sailing, polo, cricket...): 2500€
- BASIC PRICE + ALL PACKAGES = 15,000 € per month.
- PET care: 300 €

<table>
<thead>
<tr>
<th>Sources of Income</th>
<th>% of Residents</th>
<th>Residents</th>
<th>Monthly Rate (net)</th>
<th>Annual Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Pack</td>
<td>100%</td>
<td>40</td>
<td>1,500 €</td>
<td>720,000 €</td>
</tr>
<tr>
<td>TRAVELS Pack</td>
<td>60%</td>
<td>24</td>
<td>2,000 €</td>
<td>576,000 €</td>
</tr>
<tr>
<td>Cuisine Pack</td>
<td>30%</td>
<td>12</td>
<td>2,500 €</td>
<td>360,000 €</td>
</tr>
<tr>
<td>Sports Pack</td>
<td>80%</td>
<td>32</td>
<td>2,500 €</td>
<td>960,000 €</td>
</tr>
<tr>
<td>Pet care</td>
<td>30%</td>
<td>12</td>
<td>300 €</td>
<td>43,200 €</td>
</tr>
<tr>
<td>Annual Ancillary Income</td>
<td></td>
<td></td>
<td></td>
<td>2,659,200 €</td>
</tr>
</tbody>
</table>

Divided by 40 Residents x 12 months

<table>
<thead>
<tr>
<th>Monthly Revenue per Resident</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>19,944 €</td>
<td></td>
</tr>
</tbody>
</table>

**Table 9. Monthly revenue**

**Legal aspects**

There are a number of procedures that need to be completed when setting up a business in Spain. The complexity of the procedures will depend on the type of business being created. It is highly recommended to consult a legal advisor (gestor) before and during the setup of any business to ensure full understanding of the taxes, charges and possible rebates that apply, and which of the many options are most suitable for a specific case.

The most frequently found legal structures are:

- Sole Trader/Sole Proprietor (Empresario Individual or Autónomo): A foreign single person may start a business in Spain. He must have legal capacity, according with the law of his home country, to carry on businesses activities.
Liability for debts is unlimited, and therefore the sole proprietor will be personally liable for his business' debts. (SpainLawyer, 2018)

- **Limited Liability Company (Sociedad Limitada/SL or Sociedad de Responsabilidad Limitada/SRL):** The Limited Liability Company (Sociedad de Responsabilidad Limitada – S.L.) is normally used in Spain to form small or medium sized businesses. It may be created by a single founder. The incorporation deed must be signed with a notary approvals and then register it into the Corporative Register (Registro Mercantil in spanish). The minimum requirements regarding capital are 3005.06€, that must be payed at the time the company is being incorporated. The contributions can have different forms: credit rights, real property, etc. The work will never be valid as a way of capital. The company's debts will never be partners' responsibility; the responsibility is always just limited to their investment into the company. The minimum number of shareholders is one, but there is no limit into the maximum. The shares of a Limited Responsibility society cannot be into a Stock Exchange for trading, cannot be divided and cannot be transferred to other individuals with freedom. This is the most used way of companies constitution in Spain.(SpainLawyer, 2018)

- **A Public Limited Company (Sociedad Anónima in Spanish or S.A) are usually used in Spain for big project investments.** Again, the incorporation deed must be signed with the approval or supervision of a notary in order to make it legal and official and then register it into the "Registro Mercantil Español". This kind of company can be constituted by a single person however, the minimum required capital is higher: 60.101.21 €. The contribution can be of different types: money, goods, intellectual property, anything that can be valued. Again, the work it is not considered a valid way of capital. The capital must be paid since a quarter of the total value of each share in the incorporation moment. Each share gives to its owner some rights like the vote, the priority in the subscription and the participation into the benefits of the company. The shares must be registered under the owners’ name as far as they are not fully paid. In this case, the shares can be into a Stock Exchange (the Spanish one) under some conditions. The

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shareholders can freely trade with their shares, unless the corporation bylaws establish restrictions into the transfer of shares. The shareholders are not responsible of the debts the company may incur, they are just responsible as much as they have invested into the company. The incorporation deed must include the bylaws written by the founders. The association articles must indicate, among other things (SpainLawyer, 2018):

- The name of the company and description of its activity.
- The date on which it begins its operation.
- The registered office.
- The share capital, the capital part which is not paid-up and the period within the capital must be paid.
- Number of shares and the rights attached to them.
- Date on which the company’s financial year ends.
- Structure of the company’s management and special rights that founders may have;

The corporation must have a Board of Directors (Consejo de Administración) and a Shareholders’ General Meeting (Junta General de Accionistas). The deed of incorporation must identify the persons initially entrusted with the management and representation of the company. Any amendment to the by-laws must be approved at a Shareholders’ General Meeting (SpainLawyer, 2018).

Taking into account all the characteristics aforementioned Arena Dorada it is going to be created as a Limited Liability Company (Sociedad Limitada/SL or Sociedad de Responsabilidad Limitada/SRL). (Eyes on Spain, 2010)⁴⁴

The most sensible legal aspect of the company will be probably the data protection law. The new European law that has been adapted in the Spanish law states different degrees of protection depending on the data nature. Inside those degrees the medical data and

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de economic data, two of the most important ones Arena Dorada needs to deal with, are the most protected and sensible ones (SpainLawyer, 2018).

Taking that into account, and for all the constitution procedure Arena Dorada will hire a Spanish legal firm specialized in corporations’ constitution and corporations’ aspects in order to be able to keep the same firm for other legal aspects related with the company.

CONCLUSION

Old age is, of course, an alteration of a certain number of capacities, but very often it is only a little slowness. We live under an injunction of performance, speed, responsiveness, immediate adaptability to new technologies ... Saying that the elderly is long-winded, less reactive, is also saying that our society must take into account the difference. The challenge is to change perspective on aging and, thus, better reflect the difference. Arena Dorada will offer the elderly a quality of life that is as comfortable as possible, the most respectful of their wishes, dignity, and their luxurious desires. This project is therefore oriented towards the conditions of a perfect home care for the elderly.

As a result of this business plan, it appears that this project to create a retirement home with a luxurious village feel is a niche that seems viable.

After the completion of the marketing part we were able to identify some valuable indications that made it possible to have a clear idea of the fragment to give special attention to, and the appropriate strategies that could help achieve the intended goals. As well as the different well-detailed analyses that presented an unambiguous indication, and facilitated the writing of a very accurate financial part. Thus, we can see that the economic potential over a four-year horizon, offers very high growth opportunities with a net result of 13,382,021 euros (in N + 3), even though the initial capital investment may seem very high (€ 8,900,000). This investment will offer high-pitched return on capital after the starting year of the project, that envisages an upward and positive trend; in addition, to a break-even in the first three months, which is extremely rare in business creation.
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