Vacation Packages 'R' Us (VPRU) Case Study

VPRU started as **SBRU** Travel Service with the following background information taken from page 66 of the SADCW 7e textbook:

Spring Breaks 'R' Us (**SBRU**) is an online travel service that books spring break trips to resorts for college students. Students have booked spring break trips for decades, but changes in technology have transformed the travel business in recent years. SBRU moved away from having campus reps with posted fliers and moved to the Web early on. The basic idea is to get a group of students to book a room at a resort for one of the traditional spring break weeks. SBRU contracts with dozens of resorts in key spring break destinations like Florida, Texas, the Caribbean, and Mexico. Its Web site shows information on each resort and includes prices, available rooms, and special features. Students can research and book a room, enter contract information, and pay deposits and final payments through the system. SBRU provides updated booking information, resort information updates, and travel information for booked students when they log in to the site.

The resorts also need access to information from SBRU. They need to know about their bookings for each week, the room types that are booked, and so forth. Before the spring break booking season starts, they need to enter information on their resorts, including prices and special features. Resorts need to be paid by SBRU for the bookings, and they need to be able to report and collect for damages caused by spring breakers during their stay.

SBRU has recently decided to upgrade its system to provide social networking features for students. It is currently researching possibilities and collecting in- formation from prospective customers about desirable features and functions. From the business standpoint, the idea is to increase bookings by enhancing the experience before, during, and after the trip.

Appendix A: VPRU Requirement Gathering Interviews

A1. Interview with the VPRU Marketing Manager

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Question 1	What is your role in VPRU?
	I am the Marketing Manager of VPRU.
Question 2	What is the main objective of your department?
	Our main objective is to understand the trend in college student vacations and
	find ways to increase our sales by 50% year over year. Due to the coronavirus
	pandemic, we have seen a sharp decline in the 2021 Spring Break vacations.
	However, we have a plan to turn this around starting in 2022.
Question 3	What is the overall strategy of your department?
	To increase our annual sales, we need to expand our discounted vacation
	offerings to college students beyond the Spring Break period, which occurs
	once a year. This is the reason why we are rebranding our company name from
	Spring Breaks' R Us (SBRU) to Vacation Packages R Us (VPRU). Due to the
	pandemic, many resorts have high vacancy rates. This is our opportunity to
	collaborate with resorts and offer discounted vacation packages all year round.
	We want to double our efforts to find new partnership with resorts and give
	inventive (such as higher resort margins) for our partners to provide more
	discounted vacation packages to our customers. We make sure these resorts
	have good solid internet connections in order for some college students to take
	a vacation and attend their online classes at the same time.
Question 4	How do you acquire new Vacation Package (VP) providers?
	Since we are now switching to offer discounted vacation package VP bookings,
	we will no longer allow bookings for a room with a free-range of dates. We need
	to replace the previous agreements with our existing resort partners because
	we will only offer discounted vacation packages. First, I will identify a prospect
	from a list of resorts (existing and new). Then, I will arrange a meeting with the
	Resort Manager. I will conduct the meeting while the Resort Manager joins the
	meeting. When the meeting is complete, I prepare a new agreement, sign it and
	send it to the Resort Manager. If the Resort Manager does not agree to the
	terms and conditions of the agreement, they notify me and I will prepare a new
	agreement again. If the Resort Manager agree to the terms and conditions, they
	sign it and notify me. Then, I will request our VPRU Operations Manager to add
	a new resort account to our VPRU system. I expect our Operations Manager to
	send the newly generated resort account number and a new set of credentials
	to the Resort Manager. Usually, the Resort Manager will ask their own resort
	staff to add their resort details to our VPRU system. They also view their newly
	added resort details using our VPRU system to ensure that they look good to
	our VPRU customers.
Question 5	It looks like you trust your resort partners to enter their own resort details. Is this
Quochon	the original intent?
	Yes. The new VPRU system will require the resorts to be responsible for their
	own content. This will allow us to concentrate on acquiring new VP providers.
	Thanks for taking the time to answer my questions.
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A2. Interview with a Resort Manager

Question 1	What is your role and how is your resort related to VPRU?
	I am the Resort Manager of Sanctuary at Grand Memories (SGM) and we are a
	partner resort of VPRU. We have signed our agreement with VPRU and we are
	happy to have our VPRU system account established.
Question 2	What do you expect out of your partnership with VPRU?
	We have agreed to provide discounted vacation packages to VPRU customers.
	We expect VPRU as a strategic partner to promote our resort to college
	students. This will help increase our occupancy rates in 2021 and beyond.
Question 3	How do you keep track of which rooms and dates are available to VPRU?
	We issue vacation package (VP) vouchers. Each VP voucher has a specific
	room and specific date range. This will ensure that we avoid double booking of
	our rooms.
Question 4	How do you provide a Vacation Package (VP) voucher to VPRU? What are
	your expectations of the VPRU system?
	As a resort manager, I review the sales trend for the past year and make
	projections for the next 6 months. Then, I review the room availability forecast.
	After I know how much more sales I need to generate from VPRU customers,
	and which of our resort rooms are available, I assemble a vacation package
	voucher(s). Then, I ask one of our resort staff to add a draft voucher to the
	VPRU system, which generates a unique voucher number. Our resort staff
	keeps a manual record of all the VP vouchers added to VPRU. After adding a
	draft VP voucher to VPRU system, our resort staff notifies me that there is a
	draft VP voucher for me to approve. I personally review the draft VP voucher for
	approval. If I find errors, I edit the draft VP voucher myself. When I am satisfied
	with the draft VP voucher, I publish the draft VP voucher using the VPRU
	system. This will automatically send a confirmation to me and to VPRU
	Marketing Manager. Eventually, the VPRU Marketing Manager will receive the
	newly published VP voucher notification. At this point, VPRU customers can
Ourstine 5	reserve the published VP voucher.
Question 5	What happens if you have many VP vouchers to provide to VPRU?
	If we have multiple VP vouchers, we repeat the same procedure for publishing
	a single VP voucher. We plan to request a VPRU "batch" feature in the future.
	Thanks for taking the time to answer my questions.

Appendix B: VPRU Additional Background Information

In addition to the SBRU background information provided in Page 66 (Chapter 2) and **Appendix A** above, the VPRU operations manager provided additional background information as follows:

- Before the spring break booking season starts, the partner resort staff (e.g., SGM-Varadero) enters their resort information such as the resort name (e.g., Sanctuary at Grand Memories), town/city (e.g., Varadero), resort prefix (e.g., SGMV) and country (e.g., Cuba). You can find more sample data details in Appendix C below.
- The partner resort's marketing manager publishes the approved vacation packages in the VPRU system. A vacation package has a generated voucher number (e.g., SGMV-21-0001), pre-assigned room number (e.g., B24), start date (e.g., Mar. 6, 2021), end date (e.g., Mar. 11, 2021), room type (e.g., Sanctuary Deluxe Suite), required room deposit (e.g., \$100), all-inclusive package price (e.g., \$500) and package promotion amount (e.g., \$50).
- The room type (e.g., Sanctuary Deluxe Suite) determines the maximum adult occupancy (e.g., 3). Each resort have their own set of resort room types. A resort room type has a resort room type ID, room type name and maximum occupancy. Note that VPRU only caters to all-inclusive plans (standard food and services are included) with all-in pricing (i.e., tax is always included in the price; the price is for all the adult occupants per room) and occasional package promotions provided by the resort.
- Each resort have a list of facilities. Each resort facility has a facility ID (e.g., MSV01), name (e.g., spa), description (e.g., El Embelesso), and map location (e.g., Location 21). A resort facility has a maximum capacity and can be used either for indoor or outdoor. A resort facility can host multiple resort activities. Each resort activity has an activity code, description, start date/time and end date / time. During the spring break, a featured activity can be scheduled in one or more facilities. You can find sample partial screenshots in Appendix C below.
- Each time a new Vacation Package (VP) is booked, a new VP Booking is created
 with exactly one "primary guest" and the VP booking status is set to "on hold" with
 an expiry of the "next day". This allows the "primary guest" to confirm the booking
 with fellow college students and be ready to pay the initial deposit before the "on
 hold" status expires.
- When a VP Booking is created, a new VP Booking Number is generated (e.g., 123456789), along with a generated Web ID (e.g., WX12R6YZ). The primary guest will receive both the VP Booking Number and Web ID, which are both needed to view the details of a VP booking without a need to sign in to the VPRU system.
- Up until the VP booking is finalized or fully paid, additional guests (up to a maximum occupancy of the room type of the VP) can be added. Every student guest (either primary guest or additional guest) must have a first name, last name, date of birth, home address, home phone number and a valid email address.

- To make an initial deposit to VPRU, the "primary guest" must have a customer account that is associated to the VP booking. The customer account must have an account number, cardholder name, card expiry, billing phone number and billing address.
- A VP booking is associated to one vacation package and the vacation package is replaceable (up until the VP booking is finalized or fully paid). In order for the primary guest to replace the VP of the existing VP booking, a lookup of Vacation Package is required (e.g., you can see a "lookup vacation package" sample in Appendix C). The VP booking's actual price (e.g., \$450) will be charged to the customer account and it may be less than or equal to the vacation package's all-inclusive package price (e.g., \$500) since additional VPRU promotion (e.g., \$50) may be applied at the time of purchase.
- The primary guest can reserve a vacation package for one day without paying an initial deposit and the VP Booking status is set to "on hold". When the initial deposit is paid, the VP booking status is set to "deposit received".
- If the primary guest does not pay the deposit on or before the "on hold" expiry date, the VP booking will no longer be associated to the vacation package and the VP booking status is set to "expired".
- To make changes to the VP booking and its additional guests, the primary guest must login to the VPRU system first. If the same group of students want to reserve another Vacation Package, a new VP Booking and its set of guests must be created separately.
- The customer account can have two kinds of transactions:
 - (a) A charge transaction has an amount, transaction date/time, description and charge type (e.g., package sales, damage claim, etc.)
 - o (b) Every time the primary guest makes a deposit or additional payment or receives a refund, a customer account transaction along with the transaction date/time is recorded in the VPRU system. All payments and refunds are made via credit card transactions with cardholder name, credit card number, card expiry, and security code. For privacy reasons, the security code is used only at the time of credit card authorization approval and it is not saved in the VPRU system. Note that a refund is a **payment** transaction with a "refund" payment type with a negative payment amount.
- Six weeks before the trip starts, the VPRU system will send a reminder to the primary guest. When the primary guest pay the remaining balance on or before the cut-off date (i.e., 30 days before trip start date), the VP booking status is set to "fully paid". The primary guest will receive a full refund if the VP booking is cancelled on or before the cut-off date. Once the initial deposit refund is processed, the VP booking status is set to "refunded". If the VP booking is cancelled after the cut-off date, there is no refund and the VP booking status is set to "cancelled". If the owner of the group failed to act on the reminder after the cut-off date, VPRU system will change the VP booking status from "deposit received" to "expired" and the primary guest will not get a refund. VPRU system will remove the previously assigned

- vacation packages (i.e., along with their resort rooms) from all VP bookings that are "refunded", "cancelled" and "expired", and these VP bookings will no longer be associated with a vacation package. Any of these unassigned vacation packages will be available for other VPRU customer to book. A vacation package that is already assigned to a VP booking cannot be assigned to another VP booking (i.e., no double-booking allowed).
- For last-minute VP bookings (i.e., trip that will start in 30 days or less), the VP booking must be paid in full immediately. The primary guest can make changes to the VP booking's additional guests and must not exceed the maximum occupants of the room type of the vacation package. Once the VP booking status is set to "fully paid" (i.e., finalized), the resort vacation package along with the room number and additional guests are final. The VPRU system sends an email with the "fully paid" VP booking details to the primary guest and all the additional guests and no further changes are allowed.
- When one of the VP booking guests arrive at the resort, they present their "fully paid" VP booking details to the resort staff. The resort staff will sign in to the VPRU system and the VP booking status is set to "checked in". When the primary guest leaves the resort, the resort staff will sign in to the VPRU system and the VP booking status is set to "checked out".
- Within two weeks (14 days) after the trip end date, the resort can claim damages and request VPRU to collect from the primary guest. VPRU will enter the claim as a new customer account "charge" with the amount and the reason for the "charge". The customer account must maintain an account balance (i.e., sum of all the charges amount minus sum of all the payment amounts). The VP booking status changes from "checked out" to "damage claimed" and sends an email to the primary guest. When the primary guest pay the damage claim "charge" in full, the VP booking status is set to "closed".
- Fifteen (15) days or more after the trip end date, the VPRU system will change the VP booking status from "checked out" to "closed" and no further damage claims will be allowed.

Appendix C: Sample Vacation Package Screenshots

Note: The sample screenshots below is for reference use only. They do not represent "real" vacation packages. The VPRU system does not exactly follow the sample screenshots below.

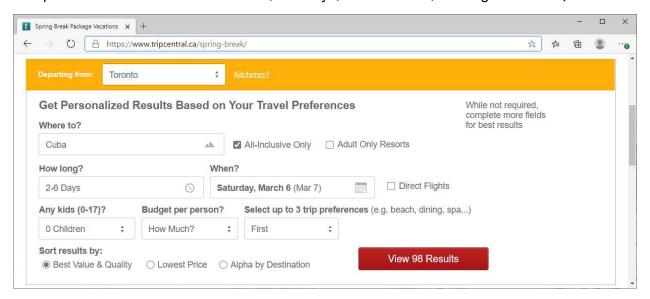
Reference URL: https://www.tripcentral.ca/

- Under "Vacation Packages" tab, select "Spring Break"

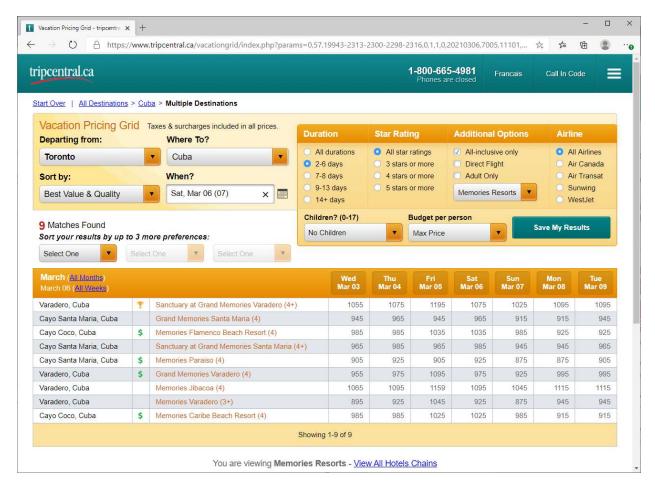
or

Direct URL: https://www.tripcentral.ca/spring-break/

Sample Filter Values: Toronto to Cuba, 2-6 Days, All-Inclusive, Starting Mar 6 or 7, 2021

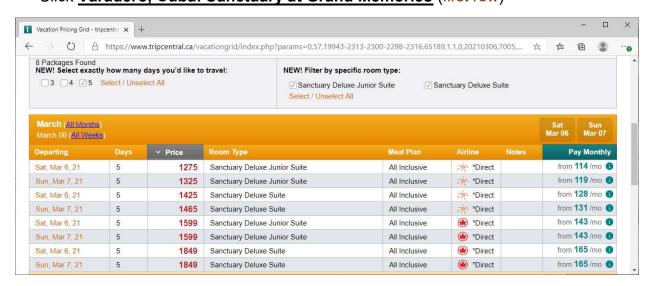


Click "View 98 Results"

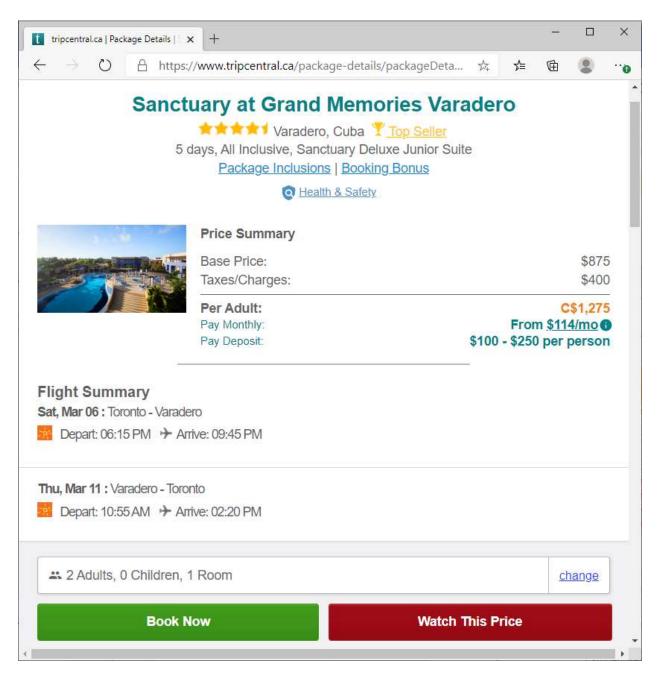


Additional Options:

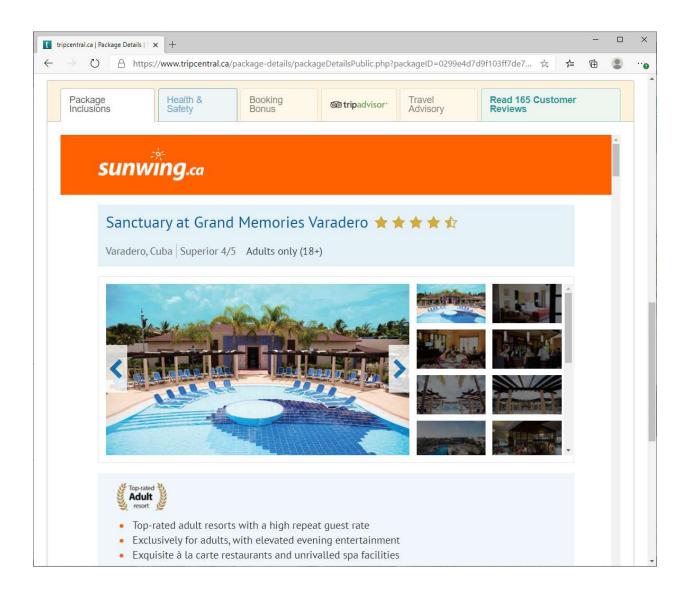
- Hotel: Memories Resorts
- Only show vacation packages with exactly 5 days
- Click Varadero, Cuba: Sanctuary at Grand Memories (first row)



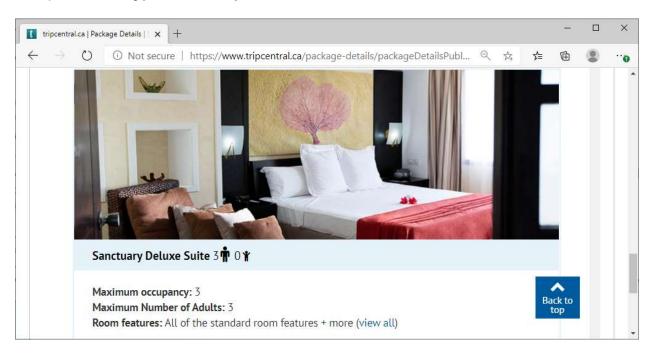
Click Sanctuary Deluxe Junior Suite (first row)



Click **Package Inclusions**



Sample Room Type: Sanctuary Deluxe Suite



Sample list of facilities:

