

## Introduction

In this report we are going to discuss and present possible situations for the Hamburg Operation during the winter season 2015/2016. Facts that will be taken into account are:

- Competition in Hamburg.
- 2pm Free Tour shift.
- Hours of the employees.

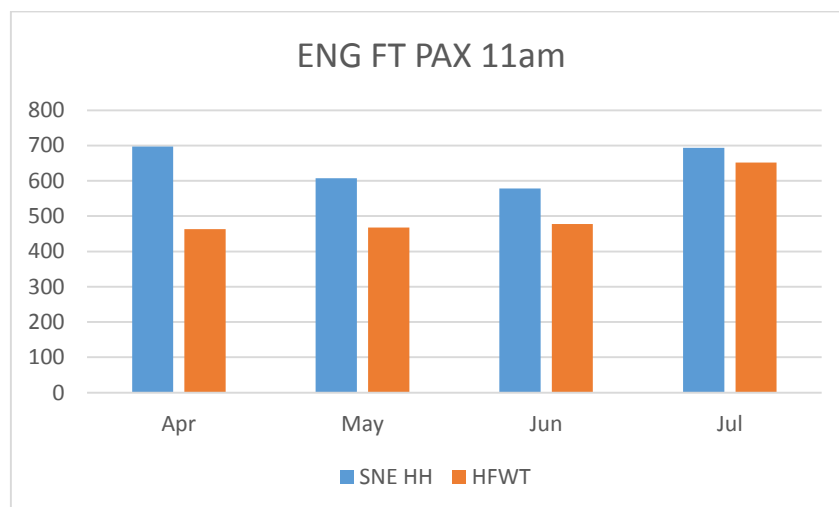
Finally, we would like to draw a conclusion about how to set the operation minimizing costs and having a solid employee structure.

Legend for the abbreviations is SNE: Sandemans New Europe; MP: Meeting Point; MPM: Meeting Point Manager; PRO: Partner Relations Officer; PER: Promotions and Events Representative; FT: Free Tour; PC: Pub Crawl; SP: St. Pauli Tour; ENG: English.

## Competition in Hamburg

The main competitors in the city are Hamburg Free Walking Tours (HFWT) and have been operating for over a year. Right now their ENG customers at 11am represent about the 50% of free tour market in Hamburg and have a more visible meeting point as well as a more catchy or attractive marketing material. They are also very well positioned on Trip Advisor.

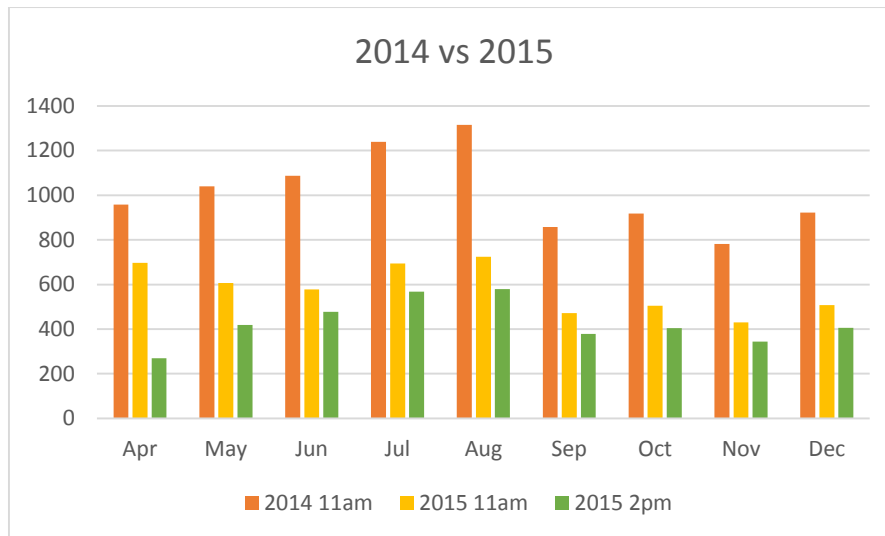
Since the summer season started (considering its beginning on Easter), the approximate record of PAX we have for their ENG numbers compared to SNE ones at 11am is as follows



Now, if we compare 2015 11am numbers with the ones we had in 2014, where we did not have 2pm FT shift, we can spot a trend. It turns out that our mass in ENG at 11am is about 55% of what it used to be back in 2014. This leads us to the following point.

## 2pm Free Tour shift

So, what has been the contribution of the 2pm tour so far? We started running it in April and by now the amount of PAX has stabilized, being about the 80% of the ENG FT costumers we have at 11am. Thus, considering the data we have till now and the percentage mentioned above regarding the 11am FT compared to 2014, we can display a possible forecast together with current data



So, would it be worth keeping the 2pm shift in ENG according to the numbers above? The answer is yes, it would, since the limit number is about 300PAX per month and shift, which is the number that gives a daily average of 10PAX.

Nevertheless, the amount of people joining the shift will be shorter than now, so we should adjust the SOPs for the MPM in order to minimize operational costs. With that, we reach the last point to consider.

### Hours of the employees

What is the optimal amount of hours to be given and how many employees will be need for the winter season? Right now, there are 4 different MP shifts.

- MP FT Sunday to Wednesday – 4.5 hours
- MP FT Thursday to Saturday – 5.5 hours
- MP SP Friday & Saturday – 0.75 hours
- MP PC Thursday to Saturday – 1 hour

In fact, the MP for the FT lasts longer the days we have the PC or SP running, since the MPM needs to be present at the break location to do the pre-sales.

If we keep the 2pm shift, the first change we have to do is to shorten the length of the MP shift from Sunday to Wednesday and implement the length we had in winter but now for both shifts, namely, having a split shift. This would be from 10:30 to 12:00 and then again from 13:30 to 15:00. We could keep the schedule as it is now for the FT shift from Thursday to Saturday, since we will need to be at the break for the presales.

Counting the hours that will be given, considering MPM shifts, distribution and Pub Crawls, we have a total amount of 54.25 hours a week.

How many employees do we need for those hours? The way of doing it I suggest is an adaptation of the current schedule.

### The 4 employees' structure

We could do as we did during the summer season and have 4 employees: the CM, two MPM-PER and one PER. If the CM continues taking care of the MP and PRO tasks, we could “collapse” the fact that the CM needs to spend at most 70% of his time covering shifts, then we could give a 30 hours contract

to the CM, a 10 hours contract to the MPM-PERs and a mini-job contract to the PER. With that, the hours and operational cost of employees becomes

Position	Weekly Hours Av.	Weekly Wage Av.
CM	21.33333333	362.5
MPM-PER 1	11.70833333	135.75
MPM-PER 2	11.70833333	135.75
PER	9.5	95
<b>Total</b>	<b>54.25</b>	<b>729</b>

So we would have a weekly average operational cost of €729, which is about 130€ less per week than what we have now.

A reasonable 3-employees structure can be adapted out of it by putting together the two positions of MPM-PER and giving to the PER an extra shift every three weeks, so the new MPM-PER has a 20 hours contract. However, the 4-employees structure presents the advantage of versatility and the fact that when one of the employees goes on holidays, there are 3 left to run the city.

However, if the 2pm tour needs to be cancelled, one of the MPM-PERs is not needed any more and 3 employees will be enough.

A possible schedule for such a structure could be the one displayed on the next page, bearing in mind that we don't want the MPM-PERs doing the MP shifts at 11am and 2pm if it is a split shift and that everyone needs to have at least 2 days off a week. Also, since the CM is due to have the weekly call on Monday afternoon, it will be possible to do it right after the 2pm MP shift on Monday.

Week 1	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
MPM FT 11	MPM-PER 1	CM	CM	MPM-PER 2	CM	MPM-PER 1	MPM-PER 2
MPM FT 14	CM	CM	CM	MPM-PER 2	CM	MPM-PER 1	MPM-PER 1
PRO				CM			
MPM SP					CM	MPM-PER 1	
MPM PC				CM	MPM-PER 1	MPM-PER 2	
PER				MPM-PER 2	PER	PER	
Week 2	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
MPM FT 11	MPM-PER 2	MPM-PER 2	CM	MPM-PER 1	CM	MPM-PER 2	MPM-PER 1
MPM FT 14	CM	CM	CM	MPM-PER 1	CM	MPM-PER 2	MPM-PER 2
PRO				CM			
MPM SP					CM	MPM-PER 2	
MPM PC				CM	MPM-PER 2	MPM-PER 1	
PER				MPM-PER 1	PER	PER	
Week 3	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
MPM FT 11	CM	MPM-PER 2	MPM-PER 2	MPM-PER 2	CM	MPM-PER 1	CM
MPM FT 14	CM	CM	MPM-PER 1	MPM-PER 2	CM	MPM-PER 1	CM
PRO				CM			
MPM SP					MPM-PER 2	MPM-PER 1	
MPM PC				CM	CM	MPM-PER 2	
PER				PER	PER	MPM-PER 1	
Week 4	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
MPM FT 11	MPM-PER 2	CM	CM	MPM-PER 1	CM	MPM-PER 2	MPM-PER 1
MPM FT 14	CM	CM	CM	MPM-PER 1	CM	MPM-PER 2	MPM-PER 2
PRO				CM			
MPM SP					CM	MPM-PER 2	
MPM PC				CM	MPM-PER 2	MPM-PER 1	
PER				MPM-PER 1	PER	PER	
Week 5	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
MPM FT 11	MPM-PER 1	MPM-PER 1	CM	MPM-PER 2	CM	MPM-PER 1	MPM-PER 2
MPM FT 14	CM	CM	CM	MPM-PER 2	CM	MPM-PER 1	MPM-PER 1
PRO				CM			
MPM SP					CM	MPM-PER 1	
MPM PC				CM	MPM-PER 1	MPM-PER 2	
PER				MPM-PER 2	PER	PER	
Week 6	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
MPM FT 11	CM	MPM-PER 1	MPM-PER 1	MPM-PER 1	CM	MPM-PER 2	CM
MPM FT 14	CM	CM	MPM-PER 2	MPM-PER 1	CM	MPM-PER 2	CM
PRO				CM			
MPM SP					MPM-PER 1	MPM-PER 2	
MPM PC				CM	CM	MPM-PER 1	
PER				PER	PER	MPM-PER 2	