

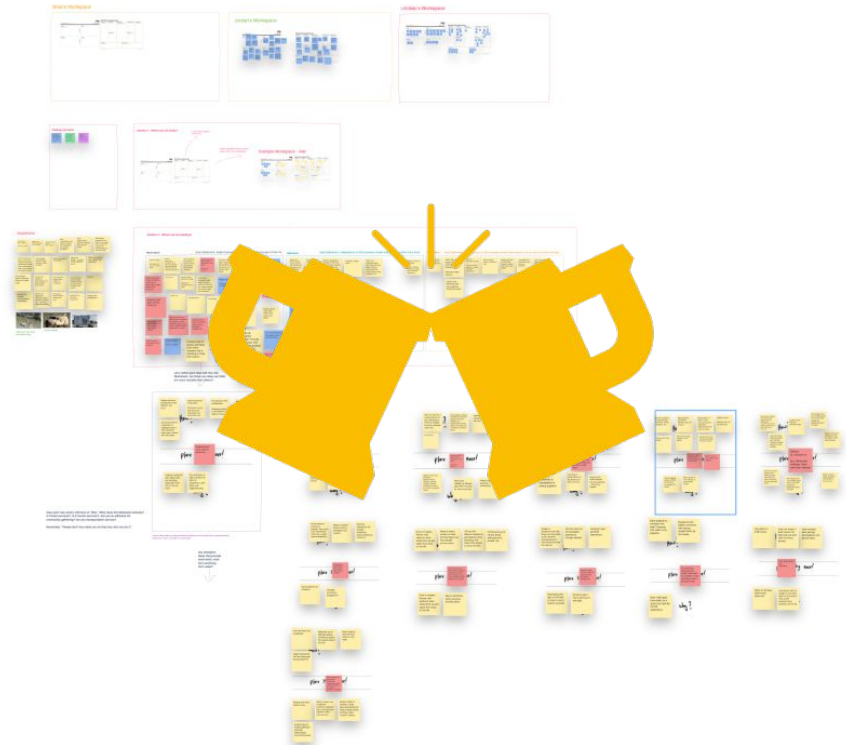


Edelweiss Workshop Report

Welcome back!

First, I want to thank everyone for their availability and participation. The facilitator feels the workshop was a resounding success. Moreover, we covered A LOT of information in a short amount of time.

The deck covers workshop exercises, data and insights we uncovered as a group.



Day 1

Metrics

- 3 hour duration
- 2 exercises
 - SWOT
 - Business Model Canvas
- 6 total participants





SWOT Output

Edelweiss Strengths

- Edelweiss offers the most cruise options and best customer service. (i.e. Fine-dining, weddings, special events, field trips, business space)
- We are unique in that we have public and private charters. The style of boats that we have make us unique.
- Customers see our dependability, consistency, and customer service as our strengths.
- Pontoon and pontiki are low-cost revenue streams that we can utilize.
- More diverse menu options versus competitors.
- Offer customers ability to see city in a unique way.
- Year-round service.

Edelweiss Opportunities

- Customers are looking for more variety of cruises (i.e. Live music, travel to different places).
- Customers looking for ways to get outside and DO something.
- Integrate bar POS system with reservation system.
- Provide customers with seating chart and check-in procedures.
- Government policy changes affecting public dock space and bridge restrictions.
- Ability to construct bachelorette destination or alternative meetings space for businesses.

Edelweiss Weaknesses

- Weather, bridges, and river obstacles.
- Lack of ownership, direction and involvement from leadership.
- Rough relationships with surrounding businesses.
- COVID-19 impact on tourism in Milwaukee.
- Unwillingness to have teamwork between departments.
- Public dock access (More boats could be waiting) and scheduling.
- Online/technology/website presence and sign-in procedures need improvement.
- Customers view interior design of boats as old / out-of-date. Customers prefer competitor pontoons because they are newer and lower cost.

Edelweiss Threats

- Competitors focusing on pontoon and small vessel rental.
- Sanitary regulations, bar, bathroom, etc.
- Small capacities versus revenue.
- City of Milwaukee currently preventing gatherings.
- Small business (i.e. Kayakers, Paddle Tavern, and Donut Boats still operating).
- Seasonal businesses not able to makeup lost revenue during non-operating months.
- Limited capacity to make quick changes on web site due to off-site web design team limits, internal IT, and technology.

BMC Output

Key Partners (Who are your most important partners?)

- Visit Milwaukee
- Contractors (DJ's, Narrators, Gothic Tour, Bands)
- Caterers, Mader's, Davian's
- Hourly Employees
- Radio Stations (102.1, V100)
- Tour Operators
- Repeat Customers

Customer Relationships (What relationship does each customer segment expect you to establish and monitor?)

- Customers expect us to be here year over year and provide the same cruise packages and customer service experience to their guests.
- Radio stations (Tit for tat relationship)
- Hourly employees
- Maders & Davians catering services

Channels (How does your value proposition reach your customer?)

- Brochure, website, radio, tourism maps.
- They buy via website and also over the phone.
- Social Media, Website, Radio Ads, Word-of-Mouth, Employees, Wedding Shows /Trade Shows.

Key Activities (What activities do perform everyday to deliver on your value proposition.)

- Answer phones and email
- Take customers on tours
- Update website
- Order food & beverages
- Check-in customers
- Private customizable charters(Small to large groups, catered, full bar)
- Event planning (Full time event planner to customize and oversee event)
- Pontiki (Medium sized groups with Captain that makes stops along river bars/restaurants.)
- Public Cruises
- Staffed ticket office to help with booking.

Cost Structure (What are the important costs you make to create & deliver on your value proposition?)

- Liquor, Gas, Catering, Hourly Employees (i.e bartenders, waitstaff, deckhands, Captains
- Overall Maintenance of Vessels (i.e. Engines, Repairs, Inspections.), Dock costs / upkeep, basement maintenance.
- Year-round staff, seasonal staff
- Boat maintenance is a large cost: boat parts, licenses, Coast Guard inspections, repairs are constant.
- Food & beverage purchases are from outside companies and not sourced in-house.

Value Propositions (What value are you delivering to your customers?)

- Provide unique outdoor entertainment venue.
- Showing customers downtown Milwaukee and lakefront via MKE riverways & Lake Michigan.
- Sightseeing, Skyline, Beer & Brat, Margarita Fiesta, Skyline Party Cruise, Brunch, and Dinner
- Solving problem of providing entertainment when people are hosting out of town guests. They get to see a huge portion of city in a small amount of time.
- Provide the best customer service in the city. Largest variety of cruises in the city.

Customer Segments (For whom are you creating value?)

- Bachelorette / Bachelor Parties
- Bridal / Baby Showers
- Date Night
- Wedding Venue / Rehearsal Dinner
- Corporate Events (Happy hours, Mingling, Meetings, Employee Appreciation)
- Senior Citizens
- School Groups
- Family Reunions
- Private Segments: Weddings, rehearsal dinners, corporate clients, family/social/ reunions, tour groups.
- Public segments: Date night, entertaining out of town guests, family outings, younger crowd looking for a party atmosphere

Revenue Streams (How do customers reward you for the value you provide to them?)

- Rewards: Return multiple times throughout 1 season or return every year (private charters)
- Revenue streams: Public cruise sales (includes cruise & food), public bar sales, gift certificates, merchandise, private charter sales, private charter bar sales, private charter food sales, pontoon boat rentals.
- Merchandise (i.e Shirts, Sweatshirts, Captain Hats, Shot Glasses
- Public Ticket Costs
- Food
- Private Boat Rentals (i.e. Pontoons, Big Boats, Pontiki)

End of Day 1

Goal of Day 1?

- Create a snapshot of what is happening today at Edelweiss boats.
- Educated workshop participants not familiar with Edelweiss boats business model.
- Generate list of questions and ideas to prepare for Day 2

How do I use the material above?

- Opportunities, Weaknesses and Threats in SWOT analysis will be turned into action items on how to improve business operations.
- Validate Business Model Canvas output with Stakeholders/Leadership.

Day 2

Metrics

- 3 hour duration
- 2 exercises and inspirational video
 - Short-term Idea Generation
 - Simon Sinek - How great leaders inspire action
 - Ladder of Abstraction Exercise
- 6 total participants

Exercise 1 - Short-Term Ideation

Workshop participants generated as many ideas as possible around adapting current business model to carry Edelweiss Boats through COVID-19.

Due to limited time we were not able to focus on mid-term and long-term ideas. Facilitator will provide image in Appendix A so ideas are not lost. Mid-term and long-term ideas are great opportunity for more workshops sessions.

Red stickies were identified by group as ideas stakeholders can take immediate action on.



Video - The Power of Why

Key takeaways:

- “People don’t buy what you do they buy why you do it.”
- What other lenses can we view Edelweiss boats into facilitate business success. (i.e. Taxi service? Advertising? Meeting spaces for businesses?)
- How and why are we attracting customers? Are we attracting the right customers?
- Business decisions should be consistent with your why.
- Being successful versus feeling successful.
 - “Achievement is something you reach or attain, like a goal. It is something tangible, clearly defined and measurable. Success, in contrast, is a feeling or state of being.”



<https://www.youtube.com/watch?v=qp0HIF3Sfl4&t=420s>



Exercise 2 - Ladder of Abstraction

Refine red stickies using the Ladder of Abstraction (LOA) worksheets. As a group we asked ourselves “How” and “Why” each idea can help adapt current Business Model.

Facilitator planned for a third exercise but the group found this activity really impactful so we continued refining every idea.

How?

place sticky here!

why?

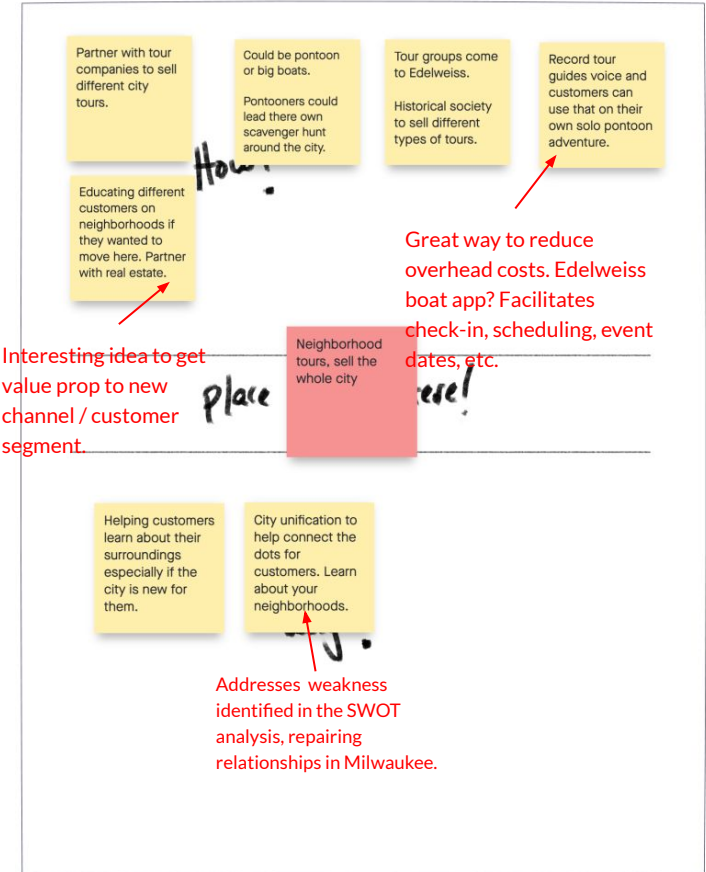
Idea 1: Neighborhood tours, sell the whole city.

How?

- Partner with tour companies to sell different city tours.
- Could be pontoon or big boats. Pontooners could lead their own scavenger hunt around city.
- Tour groups come to Edelweiss. Historical society to sell different types of tours.
- **Record tour guide voices and customers can use that on their own solo pontoon adventure.**

Why?

- Helping customers learn about their surroundings especially if they are new to the city.
- City unification to help connect the dots for customers. Learn about your neighborhood history.



Idea 2: Small scale pirate cruise.

How?

- Family friendly pirate cruise. Kids get on big boat out to a barge where the boat would be attacked to simulate a war scenario.
- Customer use pontoons and big boats do the attacking via water guns, squirters, etc. Could be in open water.
- Would require reservations of water space.
- Need to think smaller scale in the near-term.

Why?

- Entertainment family-friendly package.
- Staff and customers maintain social distance.
- **Big question on safety, rules, guidelines.**



Idea 3: Rentable boat space

How?

- Rent out boat for a certain amount of time. Will result in premium charges to cover overhead costs. Temporary space concept.
- Dock liability in relation to people coming and going on the boat. Captains and dockworkers will also need to be present so it will affect overhead space.
- Need to setup infrastructure for meeting spaces (Wifi, video conference, privacy)

Why?

- Ability to reach new customer segments(Tech startups, cooking classes,) General workspace to serve any of your "business" needs.
- Gets more visibility to Edelweiss Boats and gets them on boat for other services.
- Helps to attract business community.



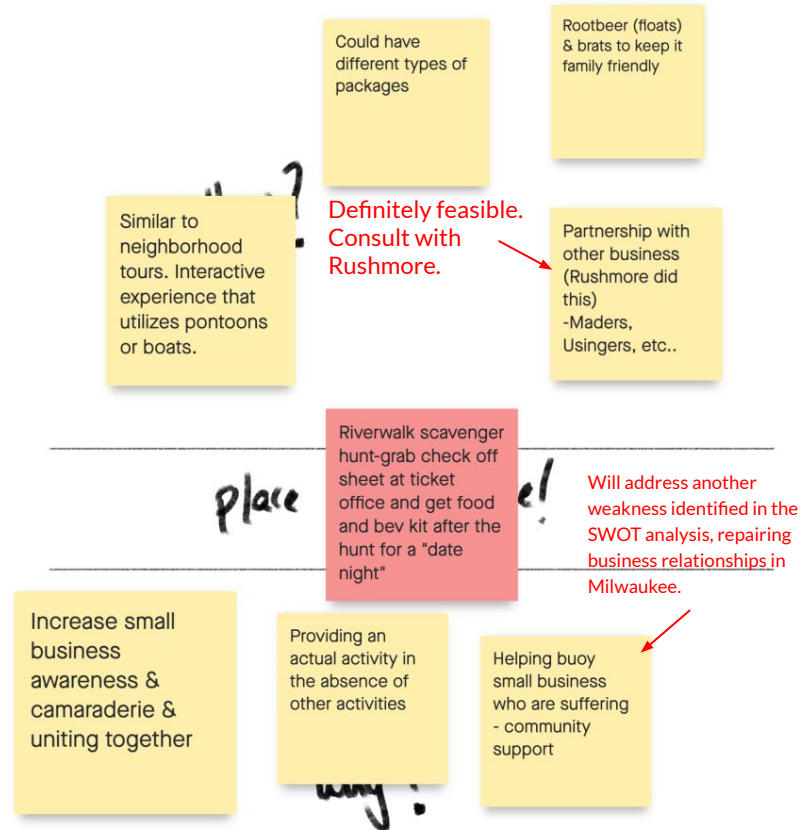
Idea 4: Riverwalk scavenger hunt

How?

- Similar to neighborhood tours. Interactive experience that utilizes pontoons for boats.
- Could have different types of packages / themes.
- Rootbeer (floats) & brats to keep it family friendly.
- Partnership with other business for the hunt. (i.e Maders, Usinger's, etc..)

Why?

- Increase small business awareness & camaraderie & uniting together.
- Providing an actual activity in the absence of other activities.
- Helping buoy small business who are suffering - community support.



Idea 5: Stream live performances from boat

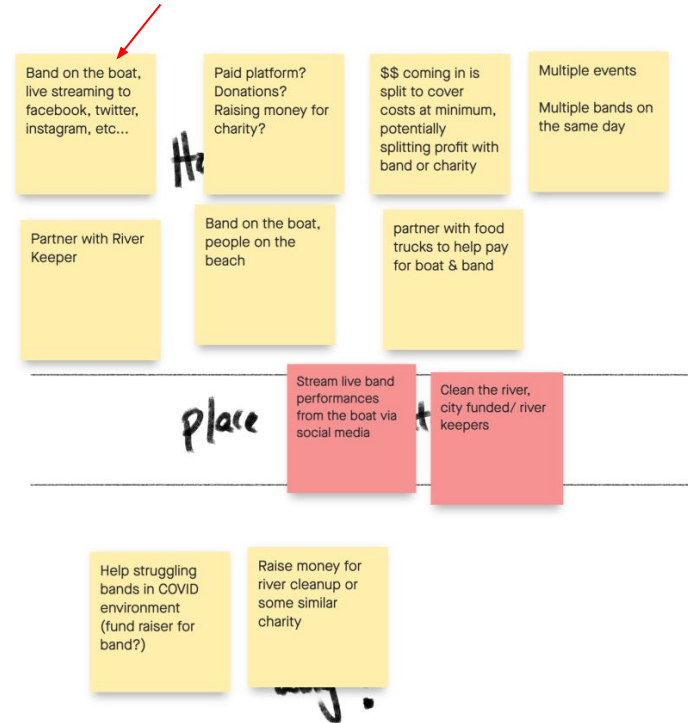
How?

- Band on the boat, live streaming to facebook, twitter, instagram, etc...
- Paid platform? Donations? Raising money for charity?
- \$\$ coming in is split to cover costs at minimum, potentially splitting profit with band or charity.
- Multiple events? Multiple bands on the same day?
- Partner with Riverkeeper.
- Band on the boat, people on the beach.
- Partner with food trucks to help pay for boat & band

Why?

- Help struggling bands in COVID environment (Fundraiser for band?).
- Raise money for river cleanup or some similar charity.

Sticky builds on existing idea today.



Idea 6: Classes

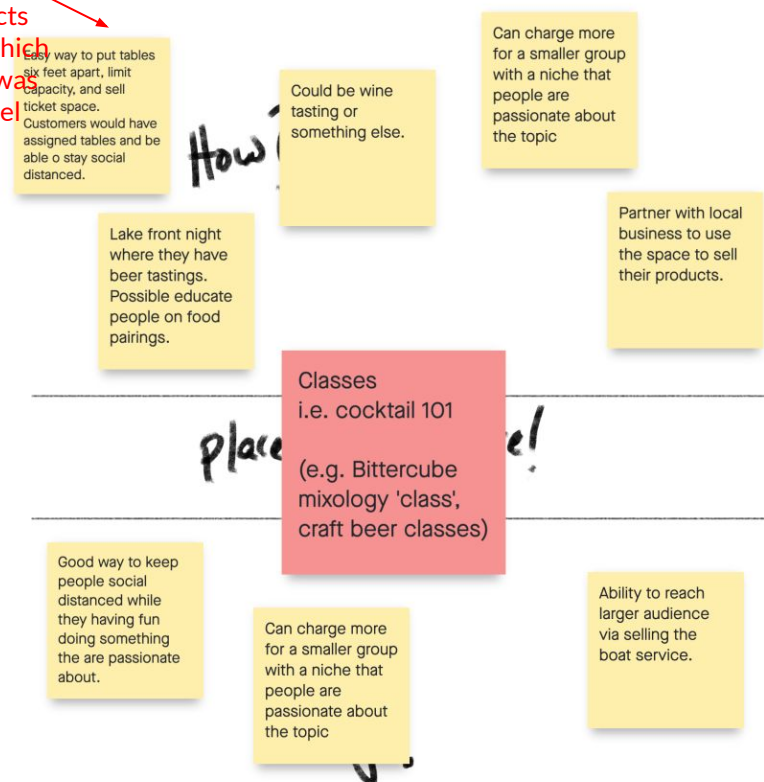
Really strong idea in the short/mid-term.
Maintains social distance guidelines.
Opens up new revenue streams. Attracts additional customer segments to EB which will spread EB name. Word-of-mouth was identified in SWOT as a primary channel for your value proposition.

How?

- Easy way to put tables six feet apart, limit capacity, and sell ticket space. Customers would have assigned tables and be able to stay social distanced.
- Lakefront night where they have beer/wine tastings. Educate people on food pairings.
- Can charge more for a smaller group with a niche that people are passionate about the topic.
- Partner with local business to use the space to sell their products.

Why?

- Good way to keep people social distanced while they having fun doing something they are passionate about.
- Can charge more for a smaller group with a niche that people are passionate about the topic.
- Ability to reach larger audience via selling the boat service.



Idea 7: Themed Appreciation Cruises

How?

- Social distance could be a problem. May need to be something other than a party type atmosphere.
- Meals on boats? Deliver food to emergency aid workers.
- Could be emergency aid workers, healthcare, anyone related to COVID-19.

Why?

- Good publicity for company.
- Facilitate community engagement.

Social distance could be a problem. May need to be something other than a party type atmosphere.

Meals on boats? Deliver food to emergency aid workers.

Could be emergency aid workers, healthcare, anyone related to COVID-19.

Fantastic PR to address weakness in SWOT analysis.

Coast guard appreciation?
Boat captain appreciation cruises?

Good publicity for company.

Facilitate community engagement

Idea 8: Movie drive-in for boats

How?

- Drive in-theater. Partner with marina to have boats drive up and watch the movie on the EB.
- Need to setup screen on boat but also figure out how people access audio.
- Pair up with Marcus theaters to get passed movie licensing. The boat is the venue to show the film.
- Pontiki pulls up to various boats selling alcohol, snacks, etc.

Why?

- Drive in-theater. Partner with marina to have boats drive up and watch the movie on the EB.
- Way to advertise other services that EB offers.

Drive in-theater. Partner with marina to have boats drive up and watch the movie on the EB.

Need to setup screen on boat but also figure out how people access audio.

Pair up with Marcus theaters to get passed movie licensing. The boat is the venue to show the film.

Pontiki pulls up to various boats selling alcohol, snacks, etc.

Looks like most modern drive-in theaters use FM to transmit movie audio.

<https://talkieman.com/best-fm-radio-for-drive-in-movie/>

Boat movie drive-in. Boat comes to people and shows a movie and then group up on land to watch? Social distanced of course.

Additional revenue streams. Will offset some of the "drive-in" setup costs.

Drive in-theater. Partner with marina to have boats drive up and watch the movie on the EB.

Way to advertise other services that EB offers.

Adheres to city social distancing guidelines

Idea 9: Romantic River Cruise

How?

- Similar to handsome cab ride. Gussy up the pontiki to set romantic atmosphere and have someone drive you around.
- Sell time slots for pre-packaged experience through website.
- European type gondola experience.

Why?

- Advertising with sign on the side on how to call or reserve a pontiki.
- Romantic getaway to see city in new light.

Similar to handsome cab ride. Gussy up the pontiki to set romantic atmosphere and have someone drive you around.

Sell time slots for pre-packaged experience through website.

European type gondola experience.

Adds additional offerings to your "unique" venue style.

Additional revenue stream options. Pontoons bringing in ticket / bar sales AND Marketing \$\$\$.

Romantic River Cruise- along the same line as a gondola or carriage ride

Advertising with sign on the side on how to call or reserve a pontiki.

Romantic get a way to see city in new light.

Idea 10: Dockside family events

How?

- More feasible to consider river walk? However river walk is city property.
- Insurance and liability concerns with having people down by the docks.

Why?

- River walk apart from water so it would not feel like the EB experience.

More feasible to consider river walk? However river walk is city property.

Insurance and liability concerns with having people down by the docks.

How?

This sticky in particular may pose too many challenges. Are there places close to EB where this isn't a problem?

place

toy boat race, kinda like that rubber duck drop but branded. Dockside family event during the day.

re!

River walk apart from water so it would not feel like the EB experience.

why?

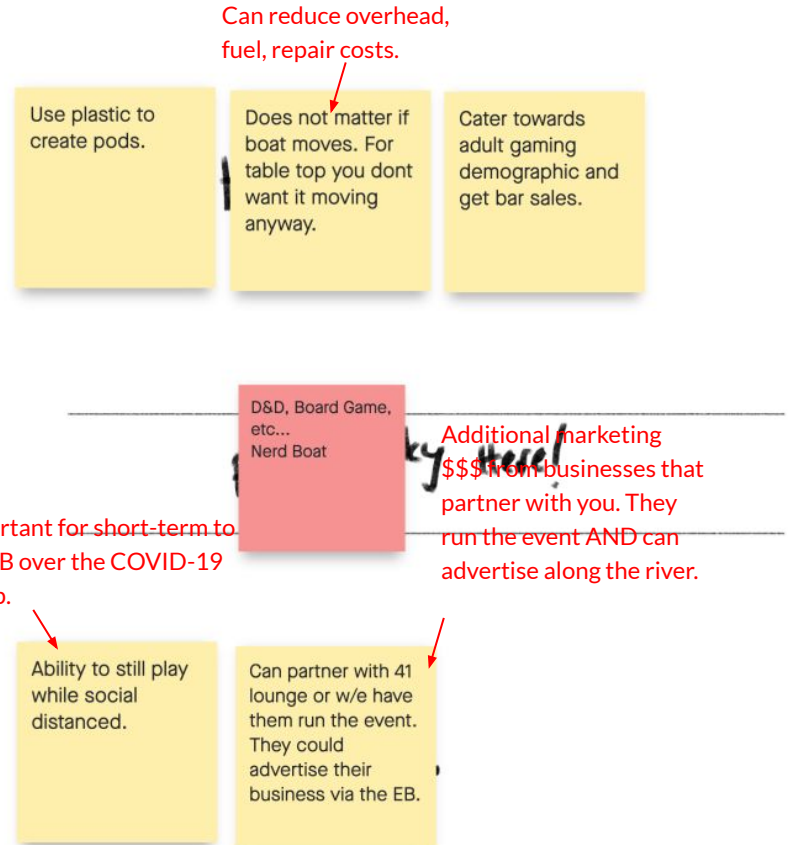
Idea 11: Nerd nights

How?

- Use plastic to create pods.
- Does not matter if boat moves. For table top you don't want it moving anyway.
- Cater towards adult gaming demographic and get bar sales.

Why?

- **Ability to still play while social distanced.**
- Can partner with businesses such as 41 lounge and have them run the event. They could advertise their business via the EB.



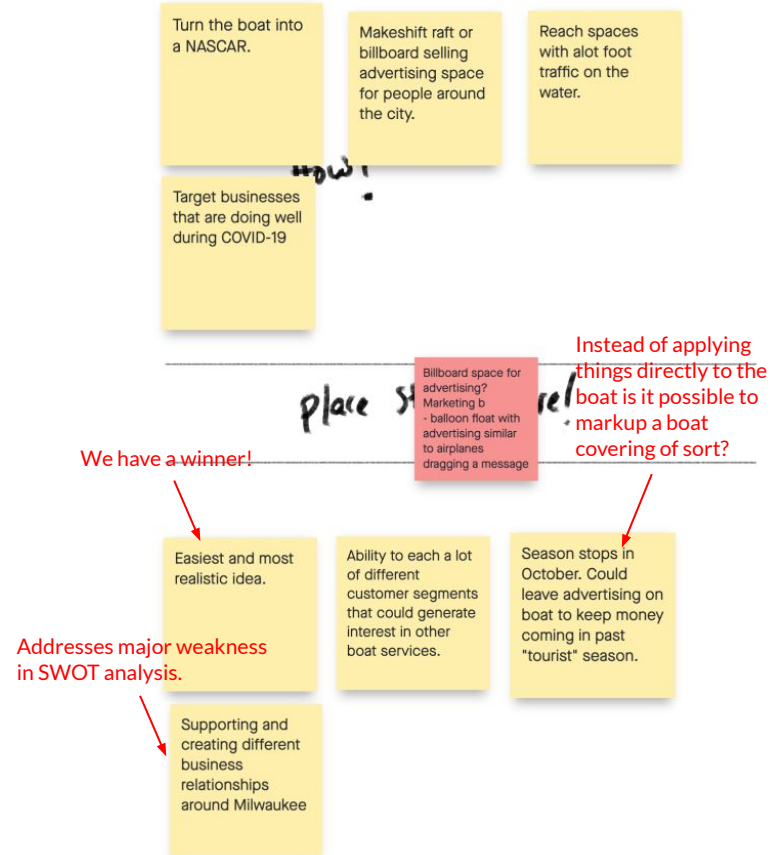
Idea 12: Boats as advertising space

How?

- Turn the boat into a NASCAR.
- Makeshift raft or billboard selling advertising space for people around the city.
- Reach spaces with a lot of foot traffic on the water.
- Target businesses that are doing well during COVID-19

Why?

- Easiest and most realistic idea.
- Ability to reach a lot of different customer segments that could generate interest in other boat services.
- Season stops in October. Could leave advertising on boat to keep money coming in past "tourist" season.
- Supporting and creating different business relationships around Milwaukee



End of Day 2

Goal of Day 2?

- Converge and come up with as many ideas as possible for short-term solutions.
- Identify the most realistic ideas and determine the “How” and “Why”.

How do I use the material above?

- Every idea presented above is an opportunity for Edelweiss Boats to bring in new revenue streams. Lindsay and Jordan should walk Brian, Rob, Becky, etc. through them and see if there is anyway to expand or create additional ideas.
- Additionally, I have cross referenced each sticky with the output from Day 1. Most of the Day 2 ideas address items in the Weaknesses, Threats and Opportunity columns. These are great ideas on how to turn the Weaknesses and Threats into Strengths and Opportunities.



Top themes & Ideas

Recurring Workshop Themes

- Integration of technology and IT infrastructure was a limiting factor for a lot of ideas. Recommend talking with an IT consultant to see what upgrades are possible to turn this into a strength / opportunity.
- In the short-term, social distancing guidelines pose significant challenges.
- Lots of stickies that address the relationship Edelweiss Boats has with the community. Recommend creating some metrics around improving relationships and setting goals for the next couple fiscal years.

Top Five Workshop Ideas

- Utilizing boats as advertising space was unanimously considered to be the best option in the short-term.
- Theme appreciation cruises to salute emergency healthcare workers, veterans, etc. Fantastic way to get PR and strengthen relationships with Milwaukee.
- Rentable boat space. Challenging in the short-term but a great way to create additional revenue streams, reach new customer segments and “revolutionize” the workspace. “Floating meeting spaces”.
- Boat classes really strong idea in the short/mid-term. Maintains social distance guidelines. Opens up new revenue streams. Attracts additional customer segments to EB which will spread EB name. Word-of-mouth was identified in SWOT as a primary channel for your value proposition.
- Pirate cruise great family event to rally around. Get this event positioned as a recurring event customers look forward to. Great competitive advantage for Edelweiss Boats.

Questions + Parking Lot Items

During the workshop a lot of additional questions popped up that were not part of what we were trying to solve. Nonetheless they are important to keep in the back of our brains while we adapt.

Recommend these be covered at your leadership meetings. They don't all need to be covered right away. Maybe tackle 2 - 3 questions a meeting to get everyone thinking and creating additional ideas.

Discuss Alan's initials. Did he get the initials because he's an ass or did his initials make him an A.S.S

What does short-term, mid-term, long-term look like? Are we just solving things related to COVID-19

Longer term business opportunities that also serve the short-term needs.

Competition? (part of SWOT)
direct and indirect

Research on similar business in other markets?

Growth areas pre-COVID? (Part of SWOT)

What considerations are made for people with disabilities? Any targeted activities?

What opportunities could be created for a docked cruise

Sustainability practices for the boat? Do the boats reduce emissions compared to vehicles doing the same services?

With current ticket prices, what is the minimum number of passengers to break even? (compared to what is max capacity for a quality cruise)

what unique benefits does being on water provide?

What do you do in the winter?

Marketing slogan... Looking for that different event...

What is preventing boat design/fleet upgrades?

Can we hang plastic in between sections to create pods?

Can you be customer service/sales for other tourism businesses?

how might you expand reach outside of milwaukee?

Use this time to focus on brand building. become the only name in milwaukee river boating

Fishing?

How do you manage event/resource scheduling?

Go all-in on Milwaukee: Milwaukee Wave, Admirals, Brewers, etc... meet and greet partnerships

how might a solution reduce maintenance costs

Incentives for returning customers?

Charge dock rental space?

Final thoughts

Be fearless with low-cost experimentation. Don't spend \$5000 dollars renovating a boat to show movies only to find out there are regulations blocking you from being successful.

Be creative and find low-cost solutions to prototype ideas. This will mitigate barriers to success. Above all remember that **success is iterative!**

IDEO offers great insights on failing fast, identifying winning ideas, and rapid prototyping. Here is some additional reading for your journey.

<https://www.ideo.com/blog/3-tips-to-help-you-prototype-a-service>

<https://www.ideo.com/journal/prototype-the-future-of-your-business-with-the-4-step-design-exercise>

Thank you everyone for your energy, participation and creative spirit. I am available for questions at alan.schwegler@gmail.com I look forward to seeing what you create!





Appendix A

Mid-term

Goal Statement: Adaptations to EB business model that require a little more time.

Happy hour / dinner services that dovetail with Fiserv Forum? You can walk to Fiserv from the dock.

Use boats as ferry for city. -Alan

Another strength to consider is that they have a "Shop" to build w/e they want. Are there retrofits to the boats or pontoons to make them more attractive.

haunted / ghost tours

Meet your representatives - Boat rides with the Mayor, School board directors, County Reps, Chief of Police, etc...

long oar "row the boat night"

save on fuel and costs plus charge for the workout experience

More collaboration with Old World Third Street bars and restaurants: SIN Night, bar takeovers, fundraisers for bar staff

Upgrades to current pontoons or getting brand new pontoons to better accommodate customers and avoid complaints

Keep it simple. Just do a boat ride with a cash bar. NO competition, is it necessary to complicate things?

Long-term

Goal Statement: Adaptations to EB business model that require a lot of time to think through.

electric scooter
partnership for a
hybrid water/land
cruise

Laser Tag - shoot
targets on a moving
boat from the
shoreline

water gun/water
balloons

Disney style,
stationary boat
trip, suspense,
sinking simulation

Air B & B
(air bed and boat)

can you rent the
boat for a unique
overnight
experience?

Sink the boat
event, 10 dollars a
brick

floating golf hole
(no idea what
these are called,
clearly not a golf
person)

"Visit Manitowoc"
special lake cruise
for 5year
inspection

More substantial
trips to Manitowoc,
Racine,
Chicago...more
expensive, luxury
trip.