

Environmental Analysis

There are 6 distinct interfaces with the clients of Kitty Hawk Kayaks. Below is a description of the locations where customers are provided with information about services available or are provided with the service.

Kayak tours and surf lessons occur at several locations along North Carolina's northern Outer Banks. Tours are provided in the towns of Corolla, Kitty Hawk, Kill Devil Hills and Manteo. These areas are found within Currituck and Dare County respectively. Tours are also done within the National Wildlife Refuges of Alligator River and Pea Island. Besides these tour locations, kayak tours are done within the Nature Conservancy's Nags Head Woods Ecological Preserve in Kill Devil Hills. Overnight trips occur on camping platforms along the Roanoke River and within the Palmetto-Pear Tree Preserve. These areas are found within Hyde and Washington counties. Surf lessons primarily occur in the towns of Kill Devil Hills and Nags Head.

E-mail inquiries are answered on a daily basis during the peak season of April through October. These e-mail exchanges frequently provide customers with FAQ documents, tour schedule information and general scheduling inquiries about Kitty Hawk Kayak's services. Also, payment information is taken through the internet and e-mail confirmations, invoices and standard tour information.

There is walk-in traffic through a store location on route 158 at 6150 North Croatan Highway in Kitty Hawk, NC. Kitty Hawk Kayaks is the first tour operator many people see once they arrive on the Outer Banks. At the shop, customers are attended to by reservationists, managers and any guides or instructors who are working at that time. Customers also must pick up rental equipment such as wetsuits, surfboards, kayaks, paddles and life jackets at this location.

There is also walk-in traffic at two affiliate water sports providers in Nags Head and Corolla. In Nags Head, Kitty Hawk Water Sports takes walk-in and call-in reservations and traffic for us, and take a 20% cut off the total sale amount. This is the same situation at Corolla Watersports in the Tim Buck II shopping center in Corolla. Frequently there is typically a breakdown in communication, expected standards of customer service and competency. These stores are managed by other people outside of the Kitty Hawk Kayaks organization; however their exposure, location and similar services make them a worthwhile venture to help bring in business.

Despite all of these interfaces, the most important interchange is that which occurs over the phone. The majority of these exchanges occur at the main shop in Kitty Hawk, but they also occur at the Corolla Water Sports and Kitty Hawk Water Sports stores in lesser degrees. During peak season each day we receive, anywhere from ten to thirty calls from people shopping around for the right tour at the right price at the right time. As of now this is our greatest source of business, though internet and walk-in traffic is rapidly expanding.

All store locations are equipped with computers, internet connections, printers, scanners, promotional materials, phone lines and training manuals for the reservations process. These are used perfectly by the employees; however, they are seldom used to their fullest potential by the affiliate water sports providers. Cellular phones are heavily relied on for constant communication with the guides, reservationists, managers and customers. Three vehicles are owned and used by the company primarily for services, and they also have two kayak trailers that are towed to the kayak launch locations of the Alligator River, Pea Island, Manteo, Roanoke River and Palmetto-Pear Tree Preserve locations. The two trailers are towed with a 2000 Dodge 12 passenger van and a 2004 Chevy Silverado pick up truck. Surf boards are transported to the beach using a 1996

Saturn SC Coupe with surfboard racks. The company owns 75 kayaks, paddles, life jackets, and 20 surf boards along with wetsuits, tents, and camping equipment.

As the business is seasonal, so are the employees, and thus employees are hired seasonally. All told, Kitty Hawk Kayaks employs about 14 people: 6 kayak guides, 4 surf instructors, a secretary/reservationist and the 2 managers. All staff work as a reservationist, as well as their position, in order to fill in the hours around the full time secretary. All staff begins making \$8 an hour and receives tips from the customers. A good guide can expect to earn anywhere from \$20 to \$100 a tour depending on the crown. All staff can receive a \$1 raise in August if they meet certain criteria (punctuality, professionalism, work ethic and attitude) and all staff receive a \$500 bonus if they stay through the duration of their contract, which is through Labor Day weekend. Anyone who comes back the following year can earn \$10 an hour.

Initially employees attend week long training about local wildlife, emergency procedures, local history, ecology, ornithology and weather. They also receive training according to ACA and NSSIA protocols. Throughout the season, guides are expected to keep the boats and vehicles clean, and sell tee shirts and stickers out of the vehicles after the tours. Employees are compensated for overtime during particularly busy weeks. They also attend a weekly meeting on Monday evenings; participate in beach cleanups, charity events, kayak demo promotions, as well as leading customers through the tour areas safely.