What to Measure

Madeline Jhawar, Italy Beyond the Obvious

Start where you are. Use what you have. Do what you can.
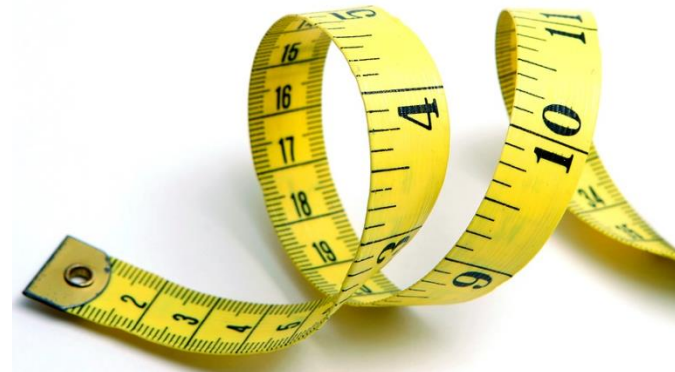

- Arthur Ashe

Why measure anything?

You need to know how much time it takes you to create your products and which products are the most profitable

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More specifically, you need to know:

1. How much money you are making per service level, total and per hour
2. What are your most requested destinations
3. What is the average trip length, by service
4. How many hours it takes you to create one trip day, by service level
5. How many customers you served in a year / how many trips you did in a year
6. Bigger picture: what are you earning per service level?

Why? Let's look at these one at a time.

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1. Money made per service level, per hour

How to measure this:

- Use Toggl to track the time you spend on a trip A to Z
- When a trip is done, you'll know how many hours it took you to create the trip
- Divide this into client fees to figure out your hourly pay
- Do this for many trips to get the average

Who cares?

- Are you earning more for different service levels? If so, increase the price of the other services or accept fewer clients for the lower service level.

2. Most requested destinations

How to measure this:

- At the end of the year, create a spreadsheet of all trips
- Include number of days per destination, number of travelers on the trip
- You'll get a number of total traveler days per destination
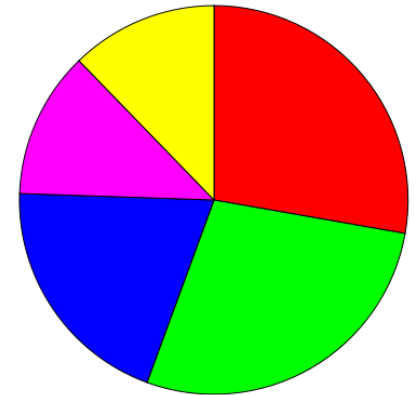
Who cares?

- These are the destinations you may want to spend more time on. Beef up your bookmarks, enhance relationships with local guides. Read more online.

Trip days	Travelers	Sicily	Tuscany	Rome	CT	Milan	Piedmont	Dolomites	Verona	Venice	ER	Naples and the Amalfi Coast	Umbria	Lakes
10	3		5				5							
3	3			3										
6	6			6										
13	2			1						4		4	4	
7	1		2	2		1				2				
14	2		3	5						2		3		1
11	2											11		
10	2											10		
10	4		10											
6	3		2	2	2									
8	3				8									
8	2											8		
7	4		2	2						3				
9	6		4	4									1	
14	6		4	3	1					3		3		
12	4		7	1	3						1			
30	3		7	4				5		3	4	7		
7	2													7
13	5		5	4							1	3		
12	2		9	3										
10	2			2	4							4		
19	5		5	4				4		2		4		
7	2		2	3		2								
18	2		6	4		4				4				
cancelled trip														
296	82	0	85	58	18	7	5	14	1	23	8	60	9	8
		0.0%	28.7%	19.6%	6.1%	2.4%	1.7%	4.7%	0.3%	7.8%	2.7%	20.3%	3.0%	2.7%

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3. Average trip length, by service

How to measure this:

- This one is easy!
- At the end of the year, group the trips you did by service
- Add up the number of days of each trip, divide by the total number of trips
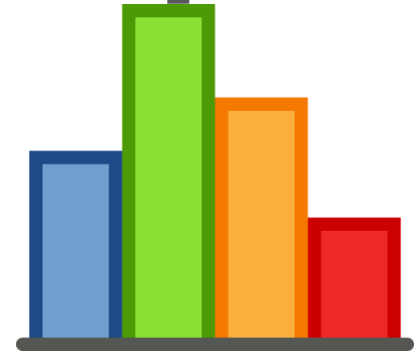
Who Cares?

- You need to understand what the average length of your trips are, by service, in order to figure out your capacity

4. How many hours to create one trip day, by service level

How to measure this:

- Track the time you spend on a trip

- After you're completely done with the trip, divide the total number of hours you spent on the trip by the number of trip days

- For example, let's say you spent 30 hours on a trip. The trip was 10 days. Therefore, you averaged 3 hours per trip day for that customer.

Who Cares?

- You need to know how long it takes you to create your product.

- Every customer will not be the same, so you probably need to track 10 trips per service level to get an accurate number here

5. How much can you do in a year

How to measure this:

* You need to measure trip days, not total number of trips
* You'll measure the time it took to create the trips
* What percentage of your working hours was that? Maybe you were still not working on client trips full time, but you were working at 50%

Who Cares?

* If you know how many trip days you did in a year, and how many hours it took you, you can figure out your capacity.
* This is important! You need to know when you're at capacity so that you can say no, or hire someone.

Calculating your capacity

- Let's say I work 40 hours per week, for 42 weeks per year
- This means I have 1,680 working hours per year
- But, about 30% of those working hours need to be set aside for running the business.
- So I have about 1,176 hours available for trip planning work
- Let's say I get to the end of the year, and I did 100 trip days
- I tracked my trip-planning-only hours, and I worked 600 hours
- That's about half of my total working hours
- So for next year, I can probably accept 200 trip days

6. What are you earning per service level

How to measure this:

- At the end of the year, add up the number of trip days for each service level
- Total the amount of money you made per service level (include commissions, if you are getting them)
- Put them into a percentage so you understand where your requests are coming from

Who Cares?

- This tells you which service is your most popular or requested, and where you are spending your time

MY STATS FROM 2014

NUMBER OF CLIENTS	33	
REPEAT CLIENTS	4	
% REPEAT CLIENTS	12%	
REFERRED CLIENTS	7	
% REFERRED CLIENTS	21%	
NUMBER OF GOLD CLIENTS	12	36%
NUMBER OF PLATINUM CLIENTS	5	15%
NUMBER OF COACHING CLIENTS	13	39%
NUMBER OF CONSULTING CLIENTS	3	9%
FEES FROM GOLD	$ 20,075.00	38%
FEES FROM PLATINUM	$ 13,975.00	27%
FEES FROM CONSULTING	$ 1,400.00	3%
FEES FROM COACHING	$ 5,631.00	11%
COMMISSIONS FROM GOLD	$ 7,713.00	
COMMISSIONS FROM PLATINUM	$ 1,091.00	
COMMISSIONS FROM COACHING	$ 780.00	
AVERAGE TIME SPENT FOR GOLD	5 HOURS / TRIP DAY	
TRIP DAYS GOLD	130	
TOTAL HOURS SPENT GOLD	650	
GOLD HOURLY	42.75	
AVERAGE TIME SPENT FOR PLATINUM	7 HOURS / TRIP DAY	
TRIP DAYS PLATINUM	60	
TOTAL HOURS SPENT PLATINUM	420	
PLATINUM HOURLY	35.87	
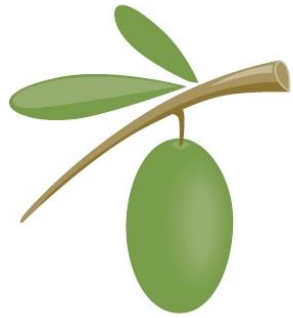
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