



The Re-Positioning of a Travel and Tourism Organization

by Ross Rodgers

Have you ever wondered why so many companies in the travel and tourism industry position themselves pretty much the same way? Are they really all so similar? I suspect not. Yet so many travel companies stumble on this, and allow themselves to be commoditized and marginalized to the point where they must compete on price with every other travel provider.

They do this by offering way too much product and in way too many categories of travel while constantly having to frantically scramble to ensure product pricing is up-to-the-minute and priced to sell. They are effectively spread too thin and afraid to settle on one strong specialty – afraid that they might lose out on business that the “do-everything-for-everyone” model supposedly brings in.

Is that you? How’s that working out for you? Does that put you in control of your product price points, or are your competitors determining your pricing?

You probably have more stress than necessary and may have changed the price of your product five times already in the last month or two.

The good news is that you are not doomed to be at the mercy of your competitor’s pricing. In many cases, the reality is that travel and tourism organizations already have something special to offer. By not capitalizing on their unique strengths, they are missing out on the dramatic business opportunity that specialization offers toward efficiency and profitability.

Focusing on Speciality

In fact, a growing segment of Canadian travel buyers are truly looking for something special in their travel purchase. This group of tourism buyers is expanding quickly while becoming increasingly affluent, sophisticated purchasers of travel product. This is due to the ease of access to travel information on the Web and conversations on social media channels.

In response, many travel agencies are responding to this trend in a big way. In 2012, 31 percent of travel agencies indicated they had plans to narrow their selling focus to concentrate on more profitable niche markets, while 19 percent said they had already made this change and 71 percent of respondents said they had significantly changed the range of products they offered.*

Travel purchasers are also stating that price is a declining factor in travel purchasing decisions. It is still the number one factor, but increasing in importance are other factors that indicate more varied and fractured groupings of buyers, each with their own criteria for travel experiences and special offerings.

Yet these groups of purposeful purchasers are not easily swayed by quick niche changes and product

refreshes. They are looking for expertise-driven products with tons of niche-specific and value-added information from their travel vendors. This provides the kind of credibility and safety in the readily evident fact that their chosen vendor truly is an expert in their particular niche.

Niche Positioning Draws Ready-to-Purchase Buyers

This is where the power of positioning and re-thinking about who you are as a travel firm can make the difference in moving from mediocre business survival with unsustainable competitive pricing, to a dominant market player with pricing power enabling a firmer financial business model.

Does this mean you should suddenly start offering new and exciting exotic travel packages for obscure destinations and experiences? Perhaps. It may be worth exploring and investigating, especially if you are able to craft a unique twist on it. I suspect, however, you already have a unique travel offering that simply needs to be groomed from your existing products. You may already have a compelling niche offering with the supporting expertise in that specialty, and you just need to refine it and specialize even more on a product that you already do very well with. In

so doing, you will be able to develop more profitable and less price-sensitive products.

In working with our clients' strategic and branding projects, the first thing we do in our diagnostic discovery is distill what exactly the client's niche positioning is. Casino Vacations (formerly a two division company: Casino Coach and FrontLine Tours), initially came to our firm for a refresh of their website. We engaged in a diagnosis of their brand situation, and what we discovered was that there was some brand confusion and dilution with the two different divisions, while at the same time we identified the common element in their expertise as the pearl of their business – the casino-oriented vacation products.

Before even embarking on the strategy for the website, our analysis provided insight to the client stakeholders recommending that they merge the two divisions and re-name the resulting singularly-focused company to Casino Vacations in combination with a complete re-branding for the casino vacations. This provided a unique singular positioning niche while we identified and clarified a much stronger set of brand values becoming the cornerstone of our work on the Casino Vacations new brand visual identity initiative recently unveiled a few months ago. And then, finally, the website strategy and its final implementation, which is what they had initially come to us for (www.yourcasinovacations.com).

So the strategy is to position yourself as narrowly as you can muster, which effectively targets your potential markets that are most interested in your niche by highlighting the expertise credibility that surrounds your offering. By doing this, your prospect customers will come to you looking for exactly the services and products that you offer. You don't have to sell them in the traditional sense. They will be highly intrigued already by virtue of you being a specialist travel company providing the insights and travel products not otherwise readily available in the marketplace — you will have already been sought out, discovered and researched by a consumer who is ready to purchase.

This principle of focused positioning scales across all travel and tourism



industry sub-categories. From coach operators to attractions, tour operators, destinations, cruise lines, hotels and resorts – every sub-industry business category in travel and tourism will benefit from a consolidation of its myriad strengths to arrive at a positioning that is truly differentiating the company or organization over competitors.

Let the World in on Your Specialty Expertise

The Web provides the power to do this more effectively than ever before. Search engine optimization and content are king. Emphasize your expertise and product knowledge on your site by constantly adding content that makes you more “visible” by Web searches for the terms that are pertinent to your niche. The more, the better; everything from articles about your destination’s idiosyncratic experiences, to custom tips on how to buy a specialized travel product. Take your temporary Facebook page down unless it has lots of relevant content and useful facts for your prospects. If it does, then beef it up and put even more engaging content on it. Give them the goods. Don’t be shy — put all your knowledge, informative insider tips and unique offerings that will encourage your fans and savvy travellers

to participate in your social media conversation with reviews, experiences, photos etc., further validating your niche in the community.

Mind you, bravery is required. Be careful not to descend into product-pushing in your niche-building exercise. Publish regular blasts of your e-newsletters with helpful information only, not sales-oriented listings (Feel free to link back to your website listings, but don’t be tempted to diminish the effectiveness of your newsletter with hard-core product offerings.) Just give them the useful information that is hard to find anywhere else. Do you have an opinion that is distinctive? Even better. Write about and post regularly on your blog site. All this will build traffic to your site from people interested in your particular offering because of the relevant-to-your-niche content with cohesive, yet distinct advice.

This is just the tip of the iceberg. To further build your deep specialization, there are numerous ways to reinforce your niche — everything from online webinars to in-the-flesh public speaking at travel shows and conferences, writing e-books to posting destination-specific cultural recipes, from online travel guides to guest article-writing for publications of interest to your market, and many other

expertise-building content channels that can establish your authenticity as the pundit in your particular travel and tourism specialty.

Commit to Your Positioning with a Focused Identity

Of course, once the groundwork of your positioning is completed, there are the essential factors of brand development to consider, including your firm’s naming and its visual identity with questions such as: What will be all the fixtures of your brand story-telling? Does your brand adequately support and communicate your specialty expertise? Do your employees understand your newly stated brand values and are they regularly reinforced and trained on these values? Do your branding efforts still feel a bit amateurish – not particularly inspiring to your niche or communicating that you are the knowledgeable specialist in providing the unique travel experiences that you want to be differentiated on?

As a travel firm with a voice, you will have something to offer that no other travel firm (and as you know, there are plenty of them) can truly offer. The experience of selling to prospects who desperately come to you to learn and buy for your specific take on travel offerings (and the unimaginable control that this offers to you over your pricing) will provide the edge you will need to remake your company into a prosperous and self-sufficient business machine. Is the industry rampant with cut-throat pricing and under-cutting practices affecting profitability? We all know the answer to that. Let them all wrestle and stress among themselves. You have a smarter game to play.

Ross Rodgers is a contributing writer on travel marketing and communications and a founding partner at RadonicRodgers Strategy+Marketing. RadonicRodgers is a full service strategic agency providing insights and expertise to the travel and tourism industry. ■

* Travelweek’s 2012 Ultimate Travel Survey

Legal counsel that delivers

Transportation is a dynamic and evolving industry, presenting complex issues as you grow your business. Rely on our transport lawyers to help you navigate the road ahead.

For more information, please contact:

Louis Amato-Gauci

lamato-gauci@airdberlis.com 416.865.7715

AIRD & BERLIS LLP
Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9
T 416.863.1500 F 416.863.1515

www.airdberlis.com