The Wanderlust Report

REPOSITIONING AN UNDERPERFORMING DESTINATION
Repositioning an Underperforming Destination

Turning around a destination to once again attract profitable customers often requires a reevaluation of its competitive positioning. This issue of the Wanderlust Report presents a method for addressing positioning problems of underperforming and distressed destinations.

A serious condition has become critical

The symptoms are telling: lack of clear direction, an air of ambivalence, disengaged staff, complacency toward the customer, eroding consumer satisfaction. The results are undeniable: fewer visitors, shorter stays, tighter margins, lower profits. A once thriving and highly desirable destination, resort or attraction is in decline – or worse – it’s teetering on the edge.

There are many reasons why underperforming and distressed destinations get that way. The needs of the market shift. New competitors emerge. Unchecked mismanagement, invisible in good times, can take its toll when a recession rears its ugly head. An old marketing plan that once delivered ROI no longer reaches the right audience, at the right times, with the right message.

As things continue to get worse, budgets are slashed. Staff is released. Everyone left is asked to do more with less, which can take the financial pressure off in the short term. But if something isn’t done to reverse the trend...
Why Positioning Matters for Resorts and Attractions

According to Entrepreneur®, positioning is “how you differentiate your offering from that of your competitors and then determine which market niche to fill.” Why is it important? Because positioning creates differentiation, which is vital to driving preference, market share and bottom line growth. The key to a successful position is determining what you have that is:

- Ownable (unique to your destination that no other has claimed or can steal from you)
- Relevant (of interest, given the current and future market)
- Desirable (attractive and compelling to your prospects)
- Deliverable (the promise of value that you can consistently deliver)

It’s not a miracle cure, but a strong position can support decision making, customer service policies, communications strategies, and provide a foundation for successful marketing to attract visitors and regain market share.

Start with an inventory of your assets and liabilities

The process of repositioning an underperforming destination, resort or attraction begins by taking an inventory of your strengths and weaknesses. Make a list of your destination’s:

- Assets (what to keep): all the good things you can build on
- Liabilities (what to lose): anything that detracts from your success
- Opportunities (where to grow): what to pursue, expand or add on

Assets and liabilities aren’t always what you would expect. Physical property, buildings, destination features, even natural features and climate can be assets, but they can be liabilities also. And don’t forget to consider intangibles like goodwill,
public perception, customer experiences and past press coverage (good and bad). All of these things could be assets, liabilities OR opportunities.

For those on the inside of the business, it’s especially important to try to look at your destination from the consumer’s perspective. Many marketers take stock of the features or attributes they have to sell or promote, and attempt to create a position around them. The problem is that many of those attributes (a ski lift, a beach, a restaurant, activities for kids) aren’t all that unique. A lot of places have beaches, don’t they? Features and attributes, while important to your destination’s offerings, are not meaningful points of differentiation.

With a clear picture of your destination’s plusses and minuses, and an understanding of what you’re really up against, you can begin the repositioning process.
Four Dimensions to Repositioning Your Destination

There are four dimensions that need to be examined in order to uncover key insights that lead to a believable, differentiating, relevant, memorable and deliverable promise of value for any destination. They are: the state of the brand; the competitive environment; the customer; and the current marketing plan.

1. **Examine your current position**
   Take some time for an introspective look at your current position in the market. Where did your destination’s current position originate? What does it continue to offer of value? How has it been represented in the past? What is the current perception in the mind of the consumer, and what is its current market position? How about the people behind it? What are they thinking and saying? How do they act? What do they really believe? What do they really think of the travelers that find their way here? Tell the truth because honesty will bring you much closer to practical, usable insights.

2. **Review the competitive environment**
   Who is competing with you for the travelers you want to attract? What are they saying? How is it different, and how is it the same as what your destination has to offer? Is it the truth? What else competes for your consumers’ attention or leisure resources? Have you considered competition outside of your category or industry? Pull together every marketing piece you can find from your competitors. Reverse-engineer their advertising and marketing communications to see where they are focusing, how they are positioning their destinations. After you’ve completed this, you should have a good idea of where there is saturation in the competitive idea space and where there is opportunity for a fresh, differentiated position.

3. **Get to know your best customers**
   Take the time to get inside the heads of travelers who seek out destinations in your competitive space. What are their current perceptions of the category as a whole, your destination and those you compete with? What keeps them up at night? What interests them, makes them happy, and can improve their quality of life? Focusing on the relationship-building drivers, ladder up the list of attributes to get to the place that resonates with consumers emotionally. What are they willing to believe about your place that is somehow different and more desirable than the competition? And where do you reach them and engage them in meaningful ways?
4. **Analyze your current destination marketing plan**
   Where have you been applying your resources and spending your money? Is it in the same places you always have, or has your plan evolved with the times? Do you have tactics for both creating awareness and engagement? What percentage of your budget has moved online? How are you building presence in feeder markets? If your budget has been reduced, did you cut across the board or build a completely new plan that gets you the most for your money?
A Foundation for Successful Marketing and ROI

Sometimes it’s hard for travel marketers to think of the value of their position in concrete ways. Similarly, it’s very hard for management to justify staff resources and out of pocket expenses for positioning work if they can’t find immediate ways to demonstrate some semblance of an ROI. This is especially true when the destination is lagging behind sales projections or flat out losing money. But if you look at your position as the foundation of your marketing communications, just about every marketing initiative gets a bump in ROI.

A benchmark for communications and performance

When you dig down deep and get to the truth about your position, you’re really getting in touch with the soul of your destination. If you use that learning to position your business, then lots of other things fall into place. Just think of front line staff: with an ethos to follow, they can really live the new position and use it to create great consumer experiences. That may sound like an ethereal idea, but it’s very real, and it’s measurable.

Destinations that practice this consistently score better than the competitive set for customer satisfaction, advocacy (or willingness to recommend), and loyalty. Net promoter scores invariably rise. The correlation between these marketing metrics and visitor days (read: profits) is strong. There are other good examples of how a strong position can make other marketing initiatives easier, and return more value.

A Focus For internet marketing

With media budgets on the chopping block, the web is the one sector in the destination advertising industry that has seen steady growth in recent years. Without a clear position in place, basic web marketing tasks like SEO and SEM are painful, and likely, aimless. Sure, your web traffic is trackable, but without a position, it’s difficult to create effective paid and organic keyword campaigns that translate into conversions. A unique and deliverable position helps focus your long term strategies for improving organic rankings, attracting more relevant visitors, and converting at higher rates.
A platform for great creative

Perhaps the most compelling example of positioning’s effect on marketing comes in your resort’s advertising and marketing communications. Consistently good creative is the love child of great positioning and creative talent. Agencies whose clients have established their competitive line in the sand, grounded in truthful insight, can deliver great work over and over. Effective positioning makes creative more powerful from the outset, and makes it easier to stay on track over time. Great advertising is just the advantage an underperforming destination needs to fuel a comeback.
Repositioning Your Destination: Ten Questions to Ask

As you consider where you want to take your business in the future, consider your past, your present and your competitive space. Ask yourself these questions:

1. Where did our current positioning originate?
2. Is our current positioning still accurate?
3. What do our customers think about our brand?
4. How well do we know our customers?
5. Do we know why non-customers aren’t customers?
6. How do our competitors position their businesses?
7. How are we different and the same as our competition?
8. What promise of value can we offer our customers?
9. Can we deliver on that promise consistently?
10. How do we need to change our position to reflect this?

Get on the road to recovery

Despite countless distractions and economic challenges, people still find time to get away. To make emotional connections with these consumers, you must set your brand apart from the competition. The repositioning process described here will help you find your place within the category and make your destination more desirable to your target market. It may be as simple as updating your messaging or as extreme as a complete relaunch – but the repositioning process makes all of your marketing efforts more effective, and can become the foundation of your destination’s recovery.
Need Help?

Take the Wanderlust Baggage Check™

Gain an honest, unbiased perspective on your position in the category, and start your destination on the road to recovery. The Wanderlust Baggage Check is a third-party analysis of your destination’s current situation, including your strengths and weaknesses, your competition, your best prospects and your marketing strategy.

The goal of the Baggage Check is to uncover insights into where your best marketing opportunities lie and build a foundation for achieving your business goals. Learn more here or call us at 888.754.3210.