

Canada Tourism On-line Magazine

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Marketing and Sales

FINDING YOUR (NEW) NICHE!

The following report was prepared by Michèle Laliberté of the Tourism Intelligence Network of the ESG-UQAM Chair in Tourism (University of Quebec at Montréal).

Competing with Marriott, Disney and Air France is not an easy task, but it is possible to carve out a place among the giants. This product or service “niche” represents a small, unexploited or underexploited market segment that appeals to a particular clientele.

Dream big but think small

When you're playing with the big boys, creating a niche is the best way to eliminate direct competition. At a time when clients are demanding increasingly personalized services, the niche meets a previously overlooked or neglected consumer need, such as focusing on the specific requirements of a certain group.

Rather than focusing on price, the best strategy for small and medium-sized businesses that want to develop a market niche is to narrow their business focus, since niche customers prefer to deal with companies that have specialized expertise.

Listen for the sound of opportunity knocking

Niche ideas are not shouted from the rooftops. To find them, you need to know how to listen to people, understand their problems, pick up on casual remarks and analyze lifestyles.

After a staff member overheard a group of expectant mothers nostalgically recalling their vacations, Woodside Hotels and Resorts (that operates 5 luxury California hotels) developed the “babymoon.” This product is aimed at couples who want a trip or weekend away to help them relax and reconnect before baby arrives. Socio-demographic data prove the relevance of this new niche: couples are waiting longer before starting a family and, because they usually have two incomes, are fairly prosperous and used to spending money on themselves.

Leave your competition in the dust

Simply put, the way to stand out in a highly competitive market is to develop a different approach. To do so, you need to venture off the beaten track and explore new horizons. Here are some strategies to help you carve out a niche for yourself:

- Create a specialized product within an existing product market;
- Adapt your product to target another market segment (expectant mothers, for example);
- Discover a promising product and invest in it;
- Examine what works in other businesses or industries and see if you can adapt those strategies to your product;
- Add elements the competition doesn't have, or create new combinations of elements that either improve your product or produce a new one;
- Find ways to personalize your product;
- Look for an area in which you can beat out the competition: safety, speed, quality, ease, convenience, (opening hours), etc.

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Venture off the beaten track

Striking out on your own can mean improving the product or service itself, the way it is distributed, managed or advertised, and so on. Here's what some enterprising travel industry players are doing:

- After analyzing consumer behaviour and changes in luxury travel, some tour operators have come up with stylish, unique concepts: 4-wheel-drive your way through Chile with breakfast in front of a geyser, travel through India like a Maharaja, stay in a beach bungalow on stilts and stroll among the seabirds, have a bottle of champagne delivered to your home when you reserve and a fresh bouquet of flowers awaiting your return.
- Other operators are exploring more unusual leisure activities: driving around a track at the wheel of a Formula 1 racing car, taking part in a modeling shoot or riding in a hot air balloon. The French company MagicDay packages its products as original gift ideas.
- When tourism authorities at Fairbanks, Alaska decided to capitalize on the Northern Lights, they negotiated with the Japanese government to attract Japan Airlines flights to the city's airport.
- Disney Theme Parks have always revolved around storytelling, with employees as the actors, visitors the audience and the park as the stage. Artistic directors and stage managers work out the overall theme and individual roles.
- In an attempt to revive tradition, the historic city of Kyoto, Japan is providing free access to public transit and museums to anyone wearing traditional Japanese dress. Foreign tourists are invited to learn how to put on a kimono.
- The slow travel movement, an offshoot of the slow food movement, is based on the idea that tourists can discover a region and its customs at their own pace by renting an apartment or villa.

So, why not try something a little offbeat? After all, remember all the things people find they can do with duct tape!