



Positioning...

“We know what it takes to stand out and it’s not standing still”

How is it that so many hotels and hotel companies wind up stuck in the clutter instead of standing out? Being a “yeah, us too”-type product has never been a formula for success in any industry. If you don’t believe me, ask the past leaders of K-Mart.

That company has no particular niche and confuses their current and potential customers. The stores aren’t well merchandised; they have a lot of different quality levels and not surprisingly have had weak financials for some time. Lack of strong positioning and unclear market messages have been key components of the K-Mart challenge. Of course Martha Stewart didn’t do them any favors either.

A top competitor that has overtaken them in the last decade is clearly Target. Target is on target. They want the customer who is looking for a bit more quality. They offer a clear, consistent shopping experience and message. I have to tell you that I can’t get out of that store for under \$100. How do they do that? It is the power of their unique shopping experience and the consistent delivery of their message.

What is positioning?

Positioning defines who you are as an organization. It embodies the unique experience and product(s) that you bring to the marketplace. The stronger your unique position, the more likely you will stand out from the clutter. Customers want to understand the offering of a business or hotel. In other words, they want to understand why they should buy. Defining a niche that you can dominate empowers you to tell your story in a compelling way.

Effective positioning synergizes an organization. It allows the entire team to know who they are and what they are about (“their story”). This energy allows everyone to fuel the company’s creativity and helps the company create and “own” (lead or control) a unique market niche.

Positioning, along with the company’s vision, is the glue that bonds an organization together and allows it to achieve great things. Positioning is the organization’s “kernel of truth.” It clearly defines what makes the company unique as compared to its competition and creates a powerful sense of place.

Positioning encapsulates:

- Who a company is
- How a company behaves
- What it stands for
- The services and products it provides
- The way in which the company delivers those services/products

Strong positioning creates a personality and style for the entire organization. It touches all aspects of the business from operating standards and hiring practices to growth strategies and capital expenditure priorities.

How do you build your positioning?

Though positioning is frequently fast tracked, it isn't always well thought out. Research of the market, the competition, clients and the team members must be clearly understood and opportunities for long-term growth identified. Some things really do take time.

It is from here that positioning begins to evolve and a sense of place comes alive.

There are nine questions that will allow you to draft your positioning statement and then your positioning story, which is a visualization of what you will become. It creates a heartbeat for the business and gets people excited. From an operations standpoint, the story gives the management team a place to start applying the positioning. Ideally once the business begins using the story, they will enhance and expand upon it; applying it to every aspect of the day-to-day customer (and employee) experience. This is when we know they own the new positioning and are living them everyday.

The nine positioning questions are:

1. Who is/are the target audience(s)?
2. What cultivates its exclusivity?
3. Who will care?
4. What will its personality be?
5. What do your customers truly want?
6. How do we give them what they want in a unique and experiential way?
7. What makes us unique compared to our competition?
8. What can we offer that would allow us to stand out amongst our competition and create something special?
9. What should our customer experience feel like and how is that appealing to our target audience(s)?

It is through these "positioning questions and processes" that a real sense of place can be defined and then developed.

Unlike vision, positioning will change and evolve over time. It doesn't stand still. Positioning is a direct reflection of the experience you are offering and the unique services you give your customer. As times change, customers' wants and desires change; and, your hotel/business must move nimbly with them or face extinction. In addition, market conditions will present new opportunities and realities which may allow you (or force you) to move your product niche in a different direction.

Why does it matter?

Positioning maximizes short-term operating performance, while simultaneously increasing long-term asset value.

Positioning is always about creating possibilities...the future, not the present. This forward thinking gets teams dreaming about their own potential as individuals and colleagues.

Next month Renie will discuss how to take the parts of your culture and transform your team into an internal community. She will explore building a strong internal community and its impact on turnover, productivity and overall financial results.

Renie Cavallari is CEO and Chief Inspirational Officer for Aspire, an international training and consulting company that provides products and services designed to help you optimize revenues and increase profitability. For more information, visit www.aspiremarketing.com or call Renie directly at 602-392-0700.

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