

Be Different: avoid hotel impact & loss of revenue

A new hotel opens in your backyard or a nearby hotel converts to the same flag you have. You object and call for an Impact Study. After years of refining impact methodology, I have often dealt with the question, "What makes a hotel a competitor?"

It's SAMENESS! Another hotel is your competitor if it...

- targets and gets business from the *same* customer segments.
- gets business from the *same* top accounts.
- has the *same* set of competitors
- gets customers from the *same* geographical feeder markets.
- is located near the *same* lodging demand generators and attractions.
- is the *same* in product type and product quality.
- offers the *same* services and delivers the *same* service quality.
- charges the *same* price for *same* value delivered.

Boring, boring SAMENESS, that's what makes a competitor. Real or imagined sameness. Customers that perceive your hotel as being the same as all the rest will substitute your hotel for another. Customer perceptions of sameness can lead to unnecessary competition, which leads to impact.

Every hotel is different in some way. Every hotel has unique strengths and weaknesses. But every hotel doesn't single-out those differences and communicate them effectively.

Customers may not perceive those differences when selecting a hotel. So superior hotels lose business to inferior hotels and compete unnecessarily --- due to perceived SAMENESS!

To reduce perceived sameness, hotel owners, managers and marketers need to *communicate differences and advantages to their potential customers* --- so customers can choose the right hotel based on what's most important to them. To reduce impact, a hotel has to be different!

What's your claim to fame?

Hertz is the world's largest car rental company. Coke is the world's largest soft drink company. Being number one in size can be held by only one company. So you have to be number one in some other way: Mercedes - World's Best Engineered Car; Ritz Carlton - USA's Highest Quality Hotel Company; Hyatt Hotels - Most Used by Business Travelers; Super 8 - Cleanest Rooms in the Economy Lodging Segment; Motel 6 - Lowest Price of Any National Chain.

Look for ways to be different!

Point out these differences to potential customers. Here's a list of questions to help you identify your competitive advantages and create your claim to fame:

People Differences

Competence. Whose employees have the highest skills and knowledge? Courtesy. Whose employees are most respectful and friendly? Credibility. Whose employees are most trustworthy? Reliability. Whose employees perform consistently well over time? Responsiveness. Who responds the quickest to customer requests? Communication. Whose employees make the biggest effort to understand their customers?

Service Differences

Delivery. Who delivers the best service with speed, accuracy and care? Value. Who best rewards their volume customers? Adjustments. Who is most willing to resolve customer conflicts with fairness? Support. Who is most willing to teach groups organizers about meeting planning and reservations? Alliances. Which hotel gets the best support from suppliers?

Take a look also at product and image differences you have compared with your competitors!

When you can tell people your claim to fame, you won't have to worry so much about some new hotel impacting your business.

Product Differences

Features. Does your hotel have few or many features? Which hotel is fully loaded with refrigerators, microwaves, irons, hair dryers and TVs in the bathroom? Performance. Which hotel is in the best physical condition? Conformance. How close does your hotel rate to the expected chain standard? Reliability. What hotel has the highest chance of something going wrong? Reparability. How easy is it to fix problems and failures? Style. How well does your hotel look and feel compared to other hotels? Design. How distinctive is your hotel compared to others?

Image Differences

Personality. What personality traits best describe your hotel and each competitor hotel? Singular Message. What hotel best reinforces one message in all media? Message Clarity. Whose message is clearest and most distinctive? Emotional Power. Which hotel has the most heart-felt community support? Consistency. Which hotel presents the most consistent image in all that they say and do?

Once you identify all the ways your hotel is better than the competition, decide which differences are worth talking about. Create your message. Then communicate those differences and advantages to your potential customers.

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