

Repositioning Facilities

When the Market Changes, Facilities Must Change

By Jeff Coy, ISHC

If you want to be successful in business, there's an old saying that says, "Find out what customers want, and give it to them!" Will Rogers once said if you want to get rich in real estate, go out west and buy up all the land before all the people get there.

If you want to build a successful family resort that will appeal to Dad, Mom and the kids, build one with a golf course, a spa and a waterpark. If you want to build a hotel that will attract business travelers, install high-speed internet connections in the rooms for laptop computers.

In marketing terms, this means tracking future trends. It means knowing your customer and understanding his needs and preferences. It means designing your product to satisfy those needs and preferences.

Customer preferences should drive the design of any new construction. But what happens when the market changes? What happens to existing facilities?

What happened to movie theaters since video cassettes and DVDs arrived on the scene? What happened to travel when the internet emerged? What happened to ski resorts since snowboarding has become an Olympic sport? What happened to the resort business since all the casinos have opened? What happened to Orlando theme parks since the 9/11 terrorist attacks and fear of flying? What happened to meeting & convention facilities when corporate travel dropped off, email became popular, chat rooms opened up and web-based real-time video meetings emerged?

Whether the market changes slowly or abruptly, business owners must adapt their operations, marketing and even their facilities to meet new demands.

PRODUCT FEATURES & BENEFITS MUST SATISFY CUSTOMER NEEDS & PREFERENCES or you will go out of business --- sooner or later. You must adapt and reposition your facilities to remain in business.

How can you anticipate change, deal with it and profit from it?

- Track future trends
- Watch for changes in your customer mix and customer types
- Talk to people about what they like and don't like.
- Experiment with new concepts, test the results.
- Put your plans into action.

Jeff Coy is president of JLC Hospitality Consulting, based in Rochester MN. Reach him at 507-289-7404 or email jeffcoy@aol.com. Website is www.jeffcoy.com.