



The Competitive Advantage of Destination Businesses

The good news for every independent entrepreneur is that operating a successful Destination Business is the best way to differentiate yourself from larger, better-capitalized competitors. I'm convinced that most national chains and franchises, regardless of their product and service-focus, rarely have the foresight and vision to make the changes that are necessary to convince a customer to travel great distances to do business with them, and to select them above all others. All of the Destination marketing tactics and differentiation principles I teach can be utilized by an independent business owner, and most will never be implemented by national chains, simply because it deviates from their national desire for brand similarity.

You probably didn't realize independence has so many advantages!

Your Largest Challenge as a Business Owner

If you, as a business owner, don't first envision your business as being so compelling different that consumers will insist upon it, it will never happen. You have to see it in your imagination first. You can attend all the seminars, tradeshow, and buying groups in the world, but if you don't set the expectation in your mind that your business will be one-of-a-kind, it will never be that way.

The business owners I meet who are making the most money and who are creating businesses that can be sold for a higher value when they want to retire are often the same ones who were once looked on as being crazy by their peers. Now, their peers are trying to copy them.

The Importance of Destination Businesses

When I first started working with small business owners over twenty years ago, no one had heard of a Destination Business. A traditional small business pulled consumers from a 5-15 miles radius, and that was considered the demographic limits of that business.

How times have changed. Today, entrepreneurs and small business owners who utilize my 14 Destination Business principles have the ability to pull consumers from well outside their demographic area, and even from hundreds of miles away.

The real estate mantra: “Location, location, location” doesn’t have to apply any longer. By positioning and marketing their businesses as Destinations, owners are influencing consumers to willingly bypass their competition, even when that competition is a superstore. As more owners utilize my Destination Business strategies, entire retail marketplaces in shopping centers, cities, towns, and downtowns are being reinvented, one business at a time.

The Test: Do You Own a Business or Just a Full-Time Job?

I challenge owners to evaluate their current situation and decide if they are really developing a profitable business, or are they just generating revenue from a full-time job? Most owners believe they are operating a business, but I use the “Winnebago” test to make my case: An owner has a business, versus a full-time job, if that owner, when they are sick and tired of doing what they are doing, decides to retire, and sells their business to someone else. An owner has a business if they can sell their assets, take that money, buy a Winnebago RV and drive off into the sunset. The question is: Will you have something to sell when you want to retire? That day’s coming. If you have something to sell, you probably have a business. If you only have your inventory, your product samples, and a mailing list, you’ve created a full-time job, and no one’s going to want to buy that from you. Better focus on turning your business into a one-of-a-kind consumer destination soon.

“Location, Location, Location” Doesn’t Matter Anymore

The real estate creed: “Location, location, location”, doesn’t apply to a destination business. Destination businesses don’t need to be on high-traffic street, or in the center court of a mall, or in upscale neighborhood shopping centers, or bustling downtowns. Since they don’t rely on prime locations for their walk-by traffic, their operating costs are typically lower, which can lead to the creation of a more profitable business, and the possible creation of a “cash cow” in the long run.

The test of a destination business is if consumers will illogically go out of their way to come to your business, past your competitors, and willingly spend more time seeking you out, versus purchasing from your competition. Consequently, a Destination Business can be any retail or service business, regardless of type.

Every national chain would love to become a consumer destination. But most can't, because they operate under the assumption that store size, store location, and product selection are the predominant reasons that consumers buy from one business versus another. And while these factors are important in the consumer buying process, they are not the most important factors. How do I know? Because I've seen independent businesses pull consumers from hundreds of miles away, but I've never seen a national chain do it. Plus, think about how well store size, store location, and product selection worked for companies like Woolworth, Service Merchandise, and Montgomery Wards. All of these were large retailers, filled with value-priced merchandise, in high traffic locations. How well did it work for them?

Customer First Impressions Make or Break Your Marketing Message

Does the exterior of your business convey a clear message to potential customers? Realize that every new prospective customer wonders: "What is this place trying to sell me, and do I need it?" If a consumer approaches your business and your business does not effectively project to the world its core business differences, you're undermining your marketing message.

Every attendee of my Destination Business BootCamp learns how consumers judge a business within 7 seconds in three initial ways: by sight, by sound, and by smell. First impressions are critical in either attracting or repelling your potential customers, well before anyone has interacted or spoken with that consumer.

Judge Your Business Accurately

Business owners I have met overwhelmingly overrate their business strengths from their personal point-of-view, and conversely, downplay their business weaknesses, that consumers readily perceive. The effect is an unrealistic view of a business that hinders its long-term growth and value.

Don't expect your customers to be honest with you and tell you what they don't like. The majority of customers won't say a word. Customers don't want confrontation, or they don't want to hurt your feelings. Face it: When a customer says something like, "I love your business", but they walk out without spending a dime, essentially, they're lying and they're just making conversation. They love your business if they spend money, which is the only indicator you can believe.

Your Dysfunctional Internet Site: Losing You Money Every Day

Most businesses have dysfunctional websites that are providing minimal value and a negligible investment return.

Here's a test for you as an owner: If your website can't pull online customer traffic from your competition, if it doesn't consistently generate incremental revenue for your business, if it doesn't save you marketing expenditures, and if it doesn't position your business near the top of the major search engines, it's dysfunctional and it's losing you money. If the company that designed your site hasn't told you these points, they're also losing you money.

Today's owner must have a business Internet site that can be updated easily, changed quickly, and manipulated repeatedly to capture today's "average" customer who is online an average of 45½ days every year. Today, if you just have an Internet site without knowing how to control it, manipulate it, and control the search engines looking for it, you're lacking one of the most powerful marketing components ever invented.

Destination Businesses Do Not Happen Accidentally

Destination Businesses are not created by accident. Every business owner I've met who has created one started with a vision and a plan. Now, it's up to you.

Turning your business into a destination is not an overnight occurrence. Perceptions about a business do not change overnight, and implementing changes take time. But most importantly, a consumer's view of your business will never change significantly until you as an owner start the process. You must have the vision of where you' like your business to end up, before it can get there. Otherwise, it will end up somewhere else, on its own.

How to Attend the Destination Business BootCamp

The Destination Business BootCamp is my 2½ day workshop designed for business owners who want to receive in-depth instruction, strategies, and specific tactics on how to become a destination business. If your goal is to make your business more profitable, or you want to make it more desirable to sell when you retire, you can't afford to miss it. You will not only know what to change in your business to become a destination, but when you leave, you will know what to do next and you will have the tools to do it. To learn more, or to download a brochure and a registration form, just go to the BootCamp website at www.DestinationBootCamp.com.