

Without risk there is no reward

An unwillingness to change or to try new things, be it due to apathy or fear, puts your business seriously at risk, says LAWRENCE SMITH.

THINK we'd all agree that we are experiencing a somewhat uncertain business environment. Fuel prices have been at record levels, environmental concerns are high and financial markets are less than stable. What impact this will have we've all yet to find out. But then, we survived SARs and other shocks to the industry, so we'll survive again.

Inevitably, however, some operators within the industry won't and they are likely to be those who carry on with "business as usual". They will do the same old things, in the same old way, and expect the same old customers to come along. Sadly they won't because customers have changed.

In fact, so many things have changed, almost without us realising. Many of us use the internet for "everything" these days from booking flights, to checking weather, to communicating with our customers.

Some of us now use mobile phones or similar devices for these functions, some of us have this information updated daily on the desktop of our computers (especially those using Microsoft Vista), or on our browser home page, such as iGoogle. The way we access and retrieve information is fundamentally different to even five years ago.

Unfortunately it appears that these changes have passed by many within the tourism industry, both large and small.

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Visitors will vote with their mouse, mobile phone, or other device and will simply move onto those operators who

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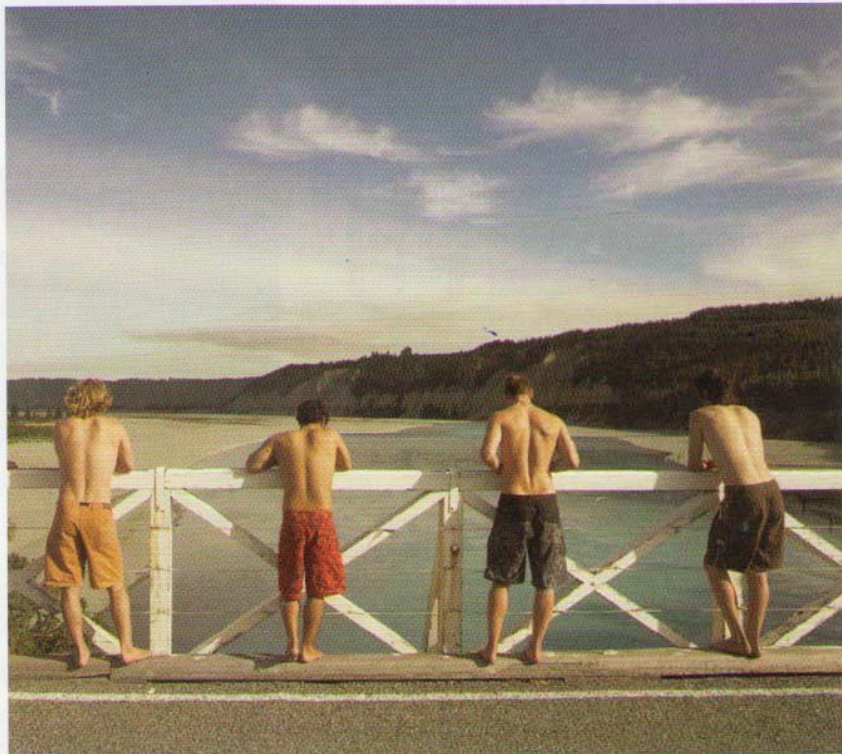


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offer the information and services they are seeking, via the channel of their choice.

The problem appears to be one of reluctance to change, and risk. Change does have some risk however, if you don't risk anything you risk even more.

Here are a few "risks" you might consider taking.-

- Challenge and re-evaluate how you run and market your business. Is it still based on practices five – 10 years old? If so, time to change. Quickly!
- Measure, measure and measure some more and then analyse. Where is your business coming from, and thus how should you spend your money?
- Place smaller ads, print fewer brochures and spend more online. It's unquestionably where customers are these days.
- Consider more advertising online, globally it's the third most popular advertising medium and rising fast.
- Consider new channels, e.g mobile, web TV etc, and think about rationalising

where and how you market your business.

■ Look specifically at developing for mobile, or partnering with people who are – it really is the next big thing.

In reality these aren't risks. As Einstein said, "Doing the same thing over and over again and expecting different results is insanity".

It's time for tourism businesses to break from the apathy that some embrace. Maybe you have resistance from staff or your current partners. They may feel their jobs, or commissions, are threatened. They probably don't understand online media and the opportunities.

In the current environment, change or taking risks is not an option. View change as an opportunity and be the one who reaps the reward. ☺

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