Booklets in this series

Operational
- Time Management
- Managing Change
- Resolving Conflicts
- Meaner, Leaner, Greener
- Training for Small Tourism Firms
- Getting Bread Right
- Creating Effective Brochures
- Compulsory Purchase Orders—Making them work

Strategic
- Profiting from your Local Heritage
- Networked Learning for Tourism Professionals
- Employing Graduates
- Creating Effective Partnerships
- Meetings and Networks
- How Small Firms Grow
- Eggs And Baskets: Managing Market Risk

Learning
Tourism
Lancaster University, Bailrigg,
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http://www.learningtourism.lancs.ac.uk
Welcome to Learning Tourism

Learning Tourism is a two-year European Regional Development Funded programme which shares resources at Lancaster University with the wider community.

This series of booklets is just one element in the four activities which the project has outlined.

The others include:

• Free 'bite-sized' small-business consultancies to help the company grow;

• An interactive website, for the tourism industry to use - http://www.learningtourism.lancs.ac.uk

• Action Learning sets - essentially business clubs - will help like-minded business professionals come together in a relaxed forum to discuss issues from business rates, through to purchasing power, decoration tips, to menu alterations.

To find out more about how you can get involved please call
**Tara Sewell or Alan Heywood** on 01524 594947

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01524 847099

You can send any thoughts, suggestions or criticisms on these booklets back to the team:

Comments on this subject
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Any suggestion for future topics of discussion?
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Have you visited our website?  □

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Have you read any of the others booklets in this series?

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Any comments?  ..................................................

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Thank you for your comments.
Specialising in a niche market makes sense. But what if your niche market shrinks? You can manage this risk by developing new niche markets. In this paper, Gordon Clark gives some suggestions and advice on how to go about it.

**Specialising**

You know the advice – find your niche market and specialise in it. This lets you find out what the customers (to your hotel, café or tourist attraction) really appreciate (or will not tolerate). Then your investment, training, products, services and advertising can all be focused on that niche market. As in any other sector of the economy, specialisation can lead to competitiveness, through lower costs, scale economies or better products or services.

But focusing on one market leaves you open to that market being too small for your business. It might be shrinking, divided among competitors, or be split into sub-markets all of which you cannot capture. Specialisation – all your eggs in one basket – is excellent advice when your niche is strong and growing. When it shrinks, you face the difficulty of finding a replacement market quickly enough to fill the gap.

Specialisation creates risks – how can you manage these risks?

**New markets**

One tactic is to develop complementary sub-brands alongside your main one. Suppose you run a bed-and-breakfast business in Ambleside and your main market is couples over 50 staying for one or two nights as part of a driving tour. They could stay in other towns than Ambleside. Could you develop markets for which Ambleside is the preferred location? People interested in Roman Britain (the *Time Team* television programme has popularised archaeology)
might be attracted by Galava, the town's Roman fort. You could put together a leaflet on other nearby Roman sites they could visit, staying a few nights longer in your B&B which becomes their base. For this, you would need no more than a map of the county and access to Cumbria Tourist Board's website of attractions in the county at www.visitchumbria.com which provides plenty of information about other Roman sites. Another market could be gardeners who might be attracted to Hayes Garden Centre and to some of the county’s excellent gardens within 10-12 miles of your B&B. Sample itineraries for three or four days will encourage them to stay longer and explore under your guidance. If you live elsewhere in the North West, the North West Tourist Board’s website at www.visitnorthwest.com will be similarly useful.

**Some crossroads**

Many towns are actually at a metaphoric crossroads where the routes of different interest groups connect up, all of whom could bolster your core trade. Here are some other possibilities.

Blackpool
- Architectural groups interested in the Art Deco period (a golden era for building in Blackpool)
- Birdwatchers (the town’s Marton Mere reserve, Morecambe Bay and the Ribble Estuary)
- Devotees of country pubs (in the villages of the Fylde).

Lancaster
- Devotees of witchcraft (the trial of the Pendle Witches in Lancaster Castle)
- Extreme sport enthusiasts (parachuting at Cockerham), climbing at Warton Crag or trying one of the Mountain bike routes suggested in Bowland by Bike
- Those keen on Indian food (the town has excellent Indian restaurants).

Millom
- Norman Nicholson and a poetry trail
- Birdwatchers on the Duddon Estuary
- Industrial archaeologists.

All these suggestions have five things in common.

- The niche markets suggested are nationally large (though their size is often unappreciated) and its members well enough off to make a difference to small or medium-sized tourism businesses.
- None of these pairings of town and niche market is obvious, yet they are all valid and under-developed (so, limited competition for you).
- Your local knowledge will help you come up with ideas for niche markets in your home area.
- Providing guides or itineraries for your specialist visitors is essential if you are to persuade them to stay longer. It is easy to do this using the reference section of your local library (the staff will be happy to help), websites provided by the tourist organisations (there is a list of these at http://learningtourism.lancs.ac.uk/agencies.php) and local associations of the appropriate enthusiasts (your local council should be able to put you in touch).
- Specialist advertising outlets (the enthusiasts’ magazines, society newsletters and websites) may be needed to support your normal media, publications and publicity.

**Conclusion**

The moral is that everywhere is a crossroads, actually or potentially, attracting different market segments. Diversifying your clientele is a good protection against the downside of specialisation – the risk of falling demand. Developing new markets – even ones you don’t yet know much about – can be achieved cheaply and quickly if you know where to look. New markets which are in some way rooted in your locality and its surroundings will often give steady long-term opportunities for you. ‘Unusual’ markets can be surprisingly large and free-spending.