

Attraction Development & Expansion: Taking the First Steps

IAAPA Attractions Expo 2009 Workshop

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BEFORE YOU BEGIN, PLAN

“He who fails to plan, plans to fail.”



PROJECT FAILURE

- Poor planning
- Reliance on “gut feeling”
- Poor execution
- Loss of control
- Cash crunch and foreclosure



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WHERE DO I BEGIN?



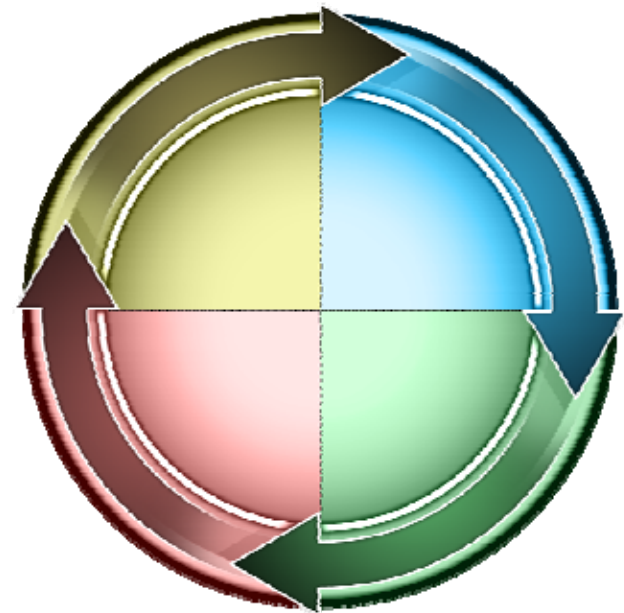
WHERE DO I BEGIN?

- Architect?
- Feasibility Study?
- Fundraising?
- Master Planner?
- Business Plan?



TODAY'S DISCUSSION

- The “Big Idea” and your goals.
- Planning: Strategic, Feasibility, Visitor Research, Business planning
- Design
- Financing



STRATEGICALLY PLANNING YOUR PROJECT

- What is your goal?
 - Looking to build a new attraction?
 - Renovating an existing attraction?
 - Redeveloping an area?

STRATEGICALLY PLANNING YOUR PROJECT

Have you strategically looked at
your project?

“If we build it they will come”



STRATEGICALLY PLANNING YOUR PROJECT

- SWOT Analysis
- PESTE Analysis
- Competition
- The market
- Location
- Brand

STRATEGICALLY PLANNING YOUR PROJECT

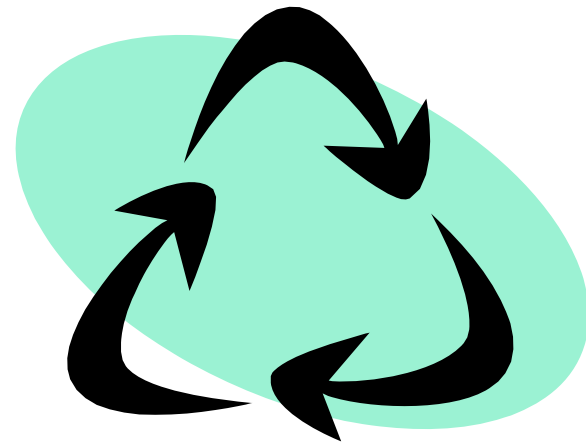
SWOT Analysis

Strengths

Weaknesses

Opportunities

Threats



STRATEGICALLY PLANNING YOUR PROJECT

PESTE Analysis

Political

Environmental

Social

Technological

Economic



STRATEGICALLY PLANNING YOUR PROJECT

Competition

Really *know* your
competition!

Tips:

- Sign up for their newsletters
- Look at their website frequently
- Observation
- Research



STRATEGICALLY PLANNING YOUR PROJECT

Your Market

- Know your visitors.
- Understand consumer trends.
- You can't be everything to everyone.
- Resource reality



STRATEGICALLY PLANNING YOUR PROJECT

- Identify and visit similar attractions (comparables)
- Complete a feasibility study.



LOCATION

Rule # 1: Location, location, location.

Rule #2: Read rule number one again.



YOUR BRAND



- What image do you want your visitors to have of you?
- What brand values will you live by?

YOUR BRAND



- How will you deliver your brand?
- How will you manage your brand?

STRATEGICALLY PLANNING YOUR PROJECT

What can go wrong?



FEASIBILITY STUDY PURPOSE

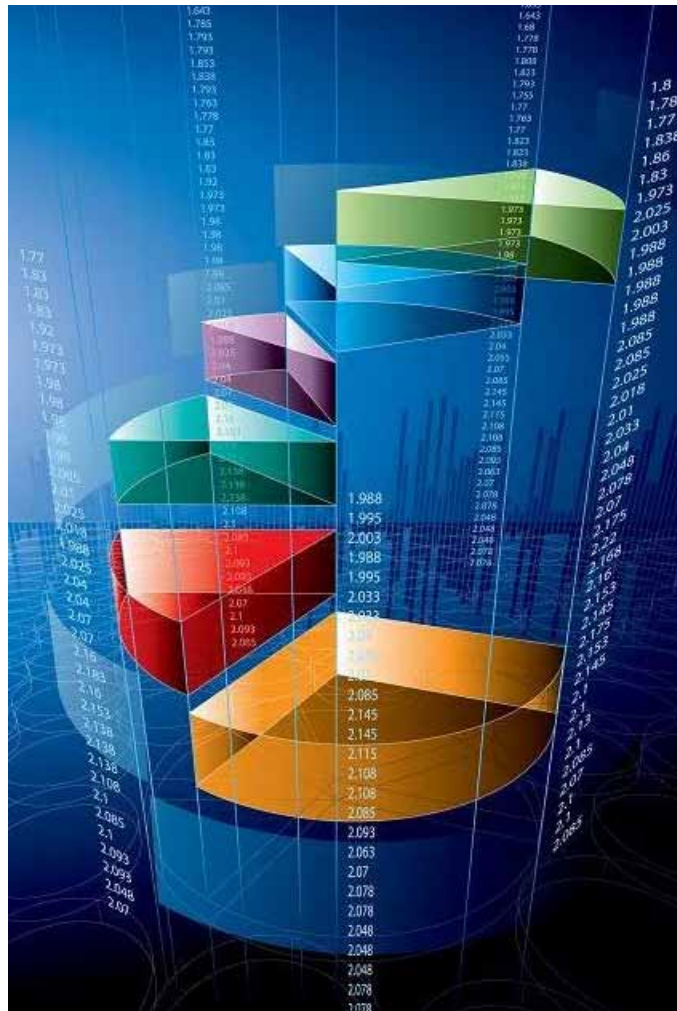
- Evaluates the potential
- Required for financing
- Conducted by independent expert



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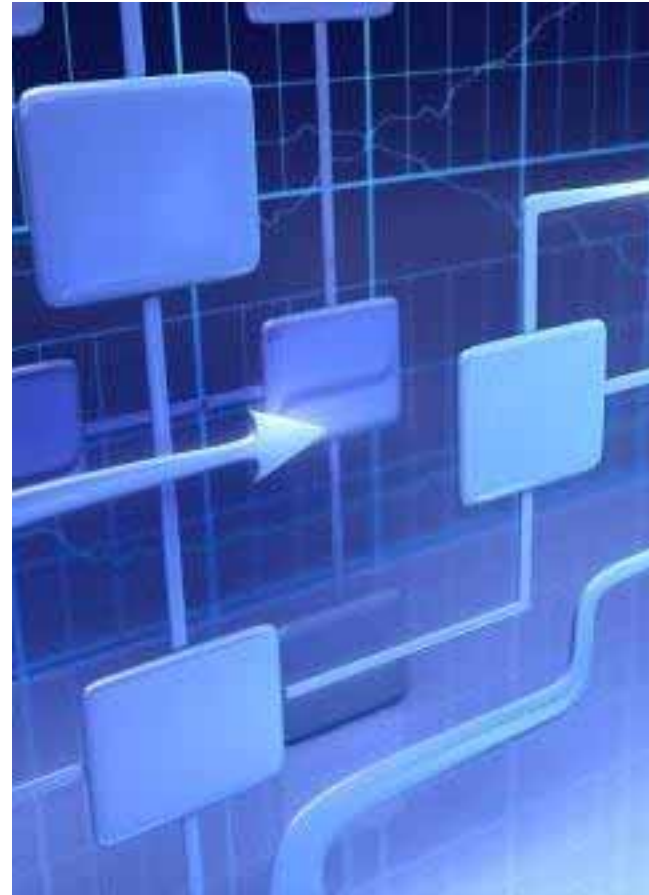
FEASIBILITY STUDY STEPS



- Site & area Evaluation
- Industry trends
- Market analysis
- Concept development
- Financial analysis

FEASIBILITY STUDY DECISIONS

- Do it yourself?
- Team vs One-Stop Shop approach?
- Charrette?
- Which consultant?
- Accept the results?

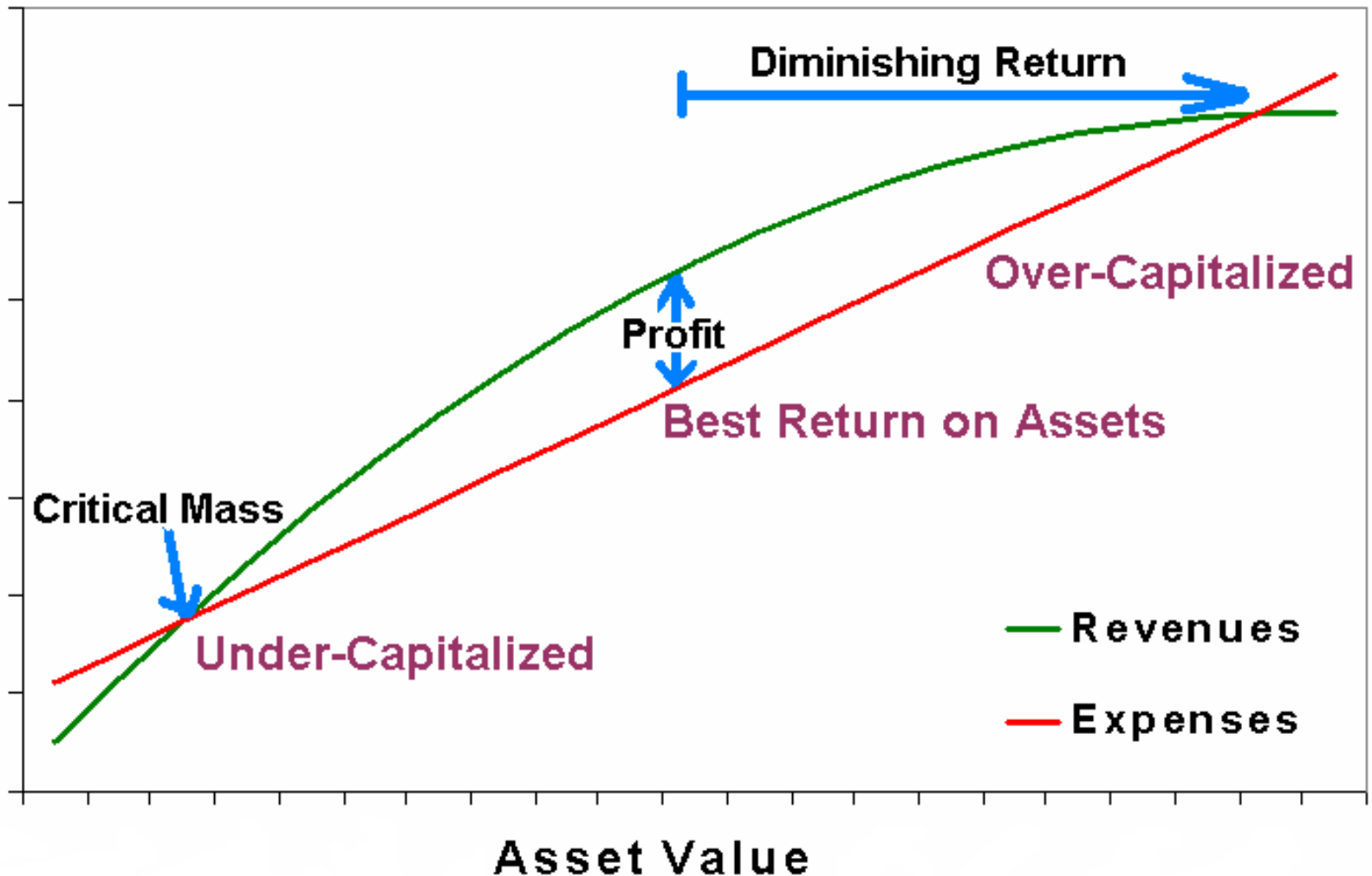


AFTER THE STUDY



- What if the site moves?
- What if the concept changes?
- What if we spend more than the warranted investment?

DIMINISHING RETURNS



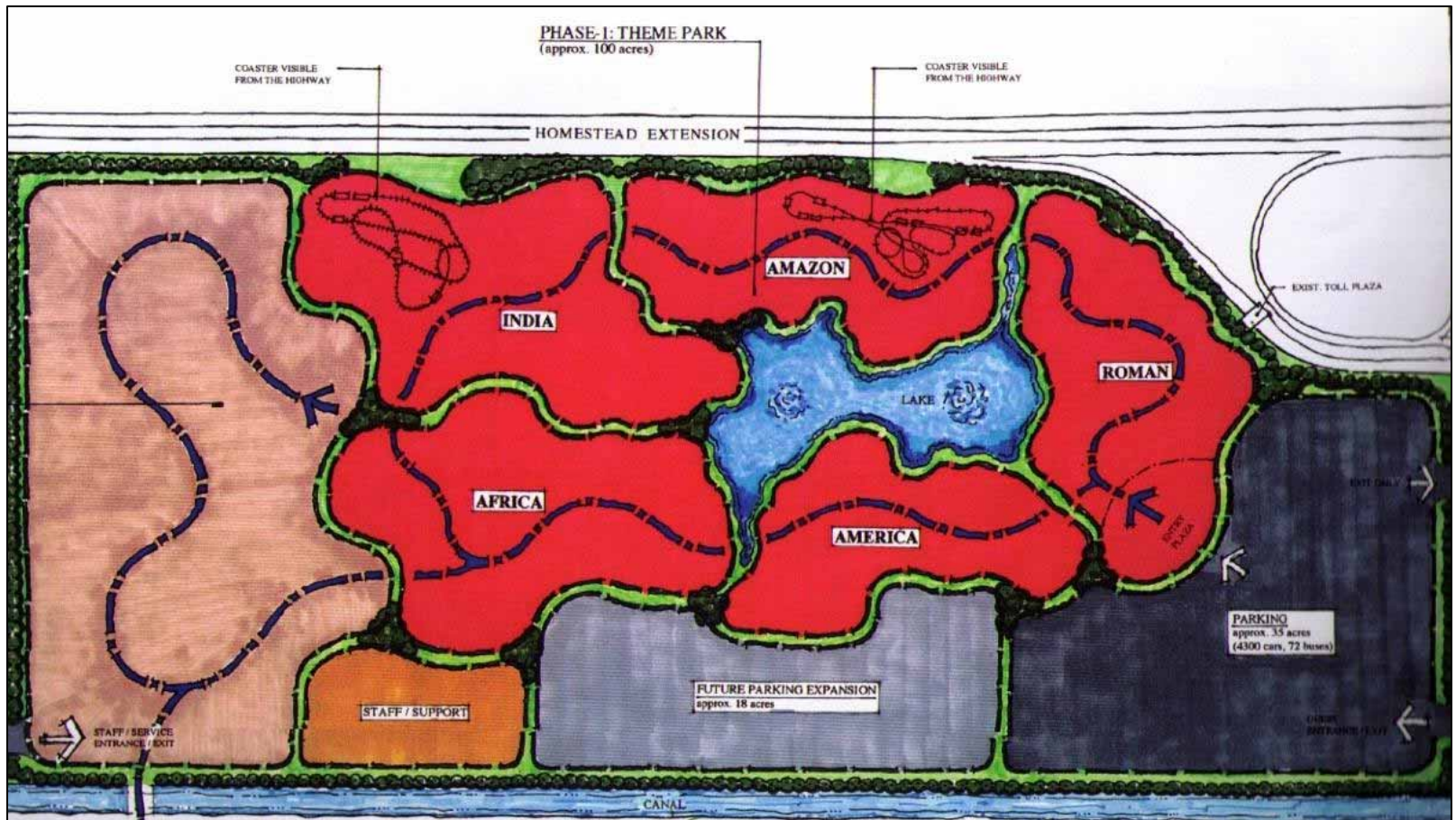
EXPANSION PLANNING

- Expand regularly
- Consider replacement
- Learn from others
- Analyze your own past experience
- Target different demographics



MASTER PLANNING

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Land Use Plan (from Montchai Design)

MASTER PLANNING

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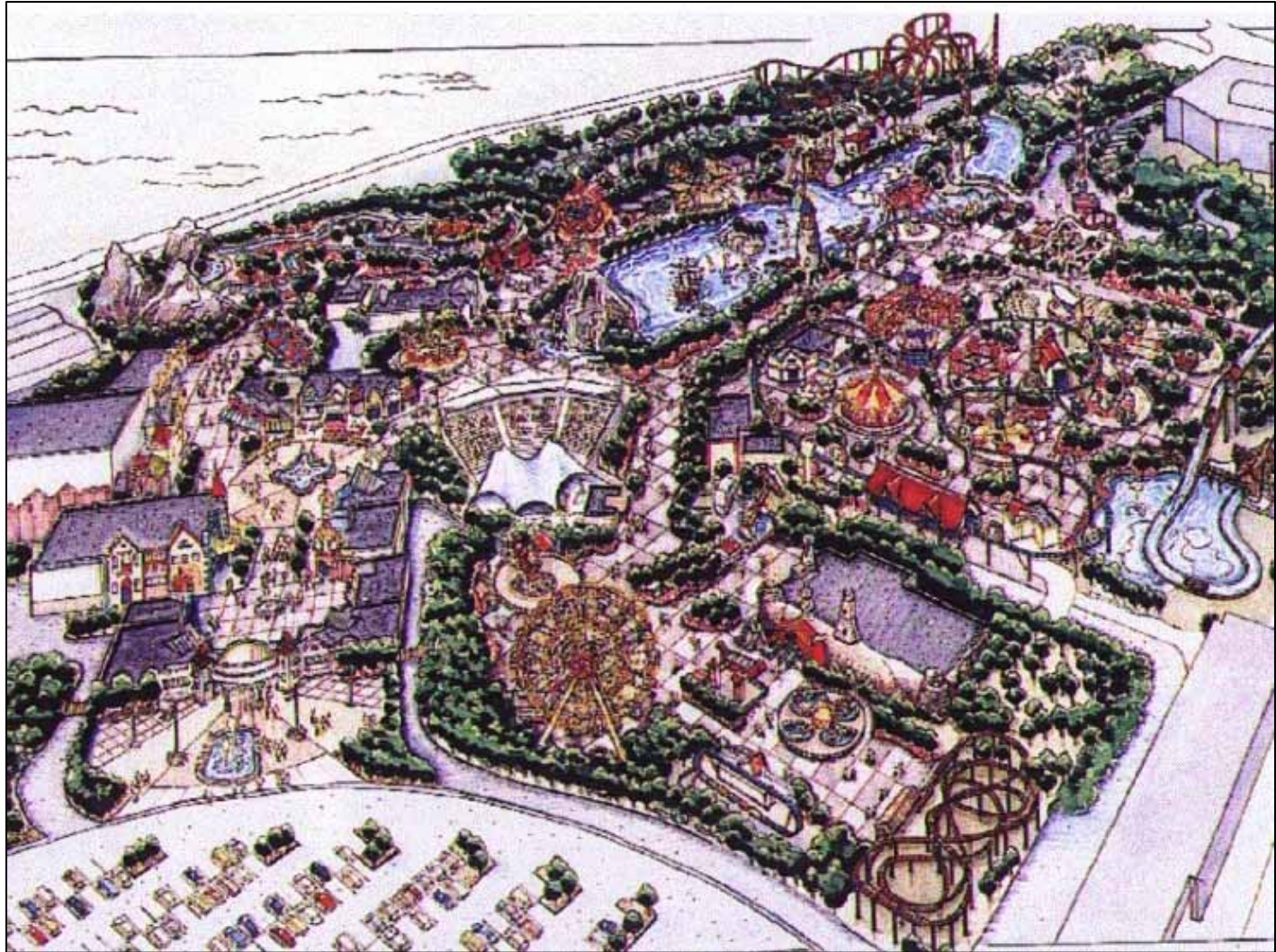


Illustrated Master Plan

CONCEPTUAL DESIGN

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Aerial Perspective

CONCEPTUAL DESIGN

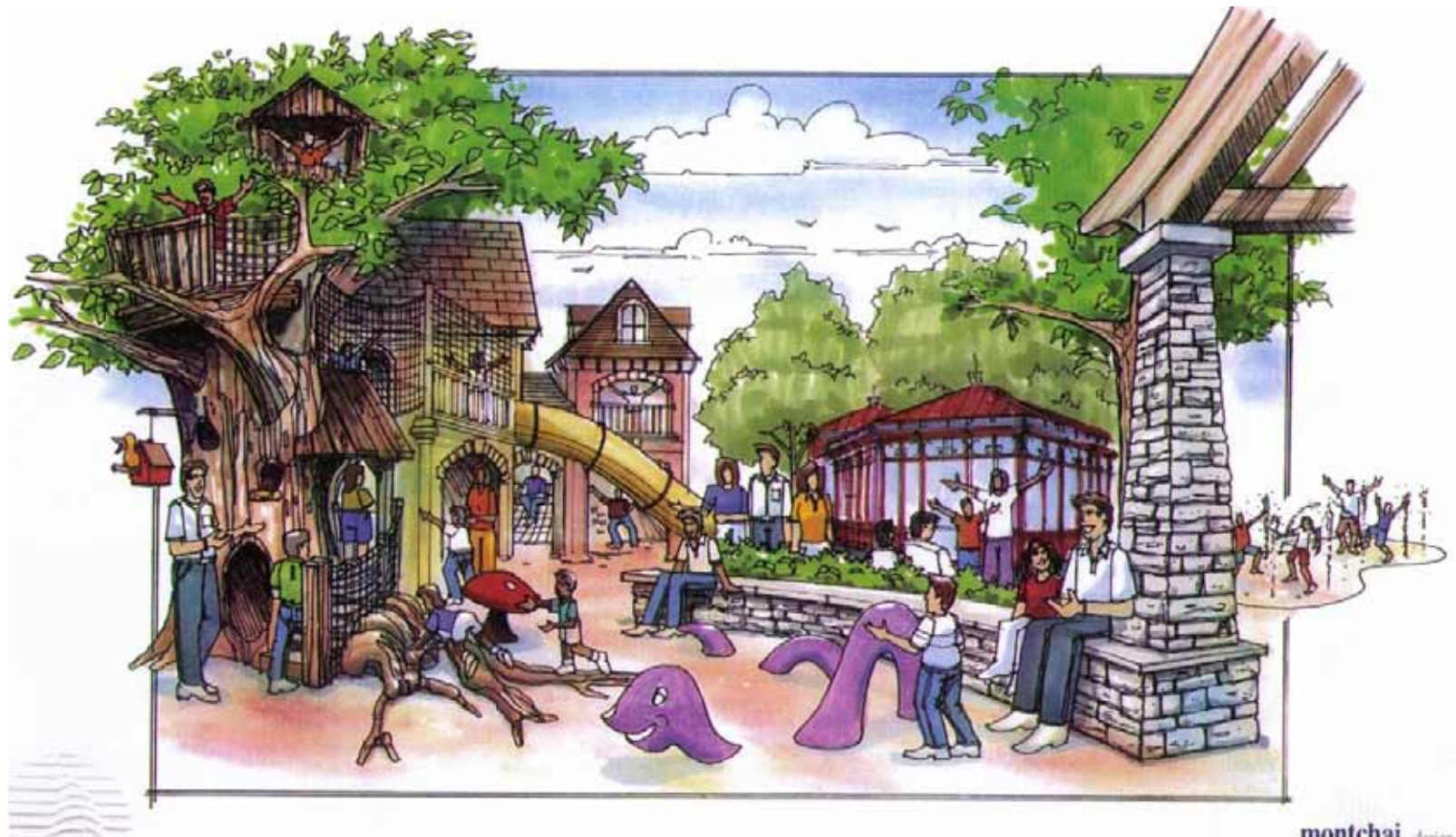
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Aerial Perspective (Town Square)

CONCEPTUAL DESIGN

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Concept Art (Town Square)

DESIGNING THE BEST VISITOR EXPERIENCE

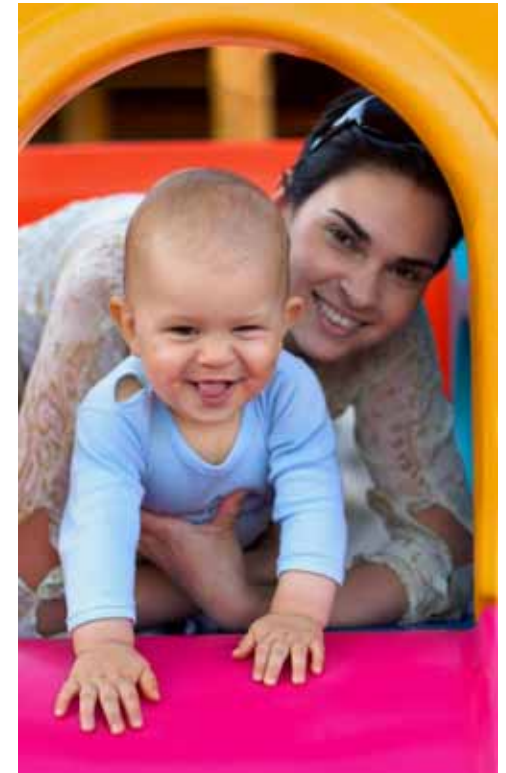
GOAL: Designing for your visitors (not for you!)



DESIGNING THE BEST VISITOR EXPERIENCE

How can I test design ideas on my target market?

How can I analyze my visitor experience?



DESIGNING THE BEST VISITOR EXPERIENCE

Experience DNA™ Example
Things to consider:

1. Visitor flow and mix of components: rides, shows, exhibits, walkthroughs, activities.
2. Psychological journey – highs and lows.



DESIGNING THE BEST VISITOR EXPERIENCE

Experience DNA™ Example
Things to consider:

4. Quantity of experience.
5. Capacity issues.



DESIGNING THE BEST VISITOR EXPERIENCE

Experience DNA™ Example
Things to consider:

6. Did I learn something new today?
7. Value for money.
8. Staff interaction.



DESIGNING THE BEST VISITOR EXPERIENCE

Mistakes made:

1. Not considering a holistic approach to visitor experience.
2. Not considering some of the research already out there.



BUSINESS PLAN

QUESTION?

What's the difference between a feasibility study and a business plan?

Economically feasible vs how are you going to operate the business?

BUSINESS PLAN

Decisions you have to make:

Who are you writing this for?

How are you going to operate this attraction?



BUSINESS PLAN

Mistakes people have made with business planning:

- Not setting budgets based on long term strategy – too short-sighted.
- Not having the right people managing.

BUSINESS PLAN

Mistakes people have made with business planning:

- Wrong assumptions:
 - If I build it they will come.
 - Market analysis
 - My attendance will go up each year.
 - Ratio's versus reality

BUSINESS PLAN

Mistakes people have made with business planning:



- I'll cut marketing budget first.
- Not supporting their brand identity.

BUSINESS PLAN

Mistakes people have made with business planning:



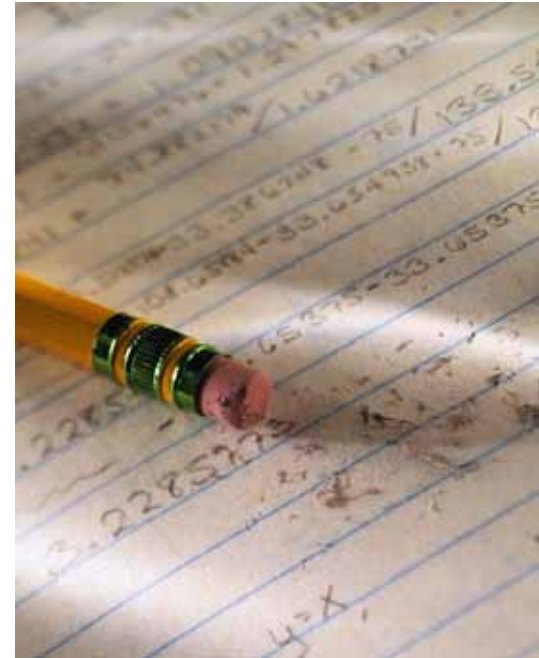
- Not considering how to deliver the best visitor experience.

BUSINESS PLAN

PRACTICAL TIP

Be involved in writing the plan.

Choose the right advisor to help determine model.



FINANCING ASPECTS

- Planning package
- “Seed money”
- Funding mix
- Debt-Equity mix
- Leveraging
- Collateral
- Credit-worthy



FINANCING DECISIONS

- Profit vs Non-Profit?
- Sponsorship?
- Buy vs lease?
- Commit assets for loan?
- Personal guarantee?
- How much financial risk?



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Questions?

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