

Attraction Development: From Idea to Opening Day

IAAPA Attractions Expo 2006 Workshop

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BEFORE YOU BEGIN, PLAN

“Have a plan. Follow the plan, and you'll be surprised how successful you can be. Most people don't have a plan. That's why it's is easy to beat most folks.”

*Paul "Bear" Bryant, University of Alabama
Football Coach*

WHERE DO I BEGIN?

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- How do I plan for something like this?
- What questions do I need to ask?
- Who do I contact to help me?
- How can I avoid mistakes that other have made?

WHERE DO I BEGIN?

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



PROJECT FAILURE

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



TODAY'S DISCUSSION

- The “Big Idea” and your goals.
- Vision
- Planning
- Financing
- Design
- Construction
- Pre-Opening

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GOAL SETTING FOR INDIVIDUALS

- What is your goal?
 - Looking to build a new attraction
 - Renovating an existing attraction
 - Redeveloping an area
- Why?
 - Money
 - Creative triumph
 - Legacy

Practical Advice for Developers

Attraction development is a business venture, not a creative exercise. You have to be comfortable with the risks involved.

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Practical Advice for Non-Profits

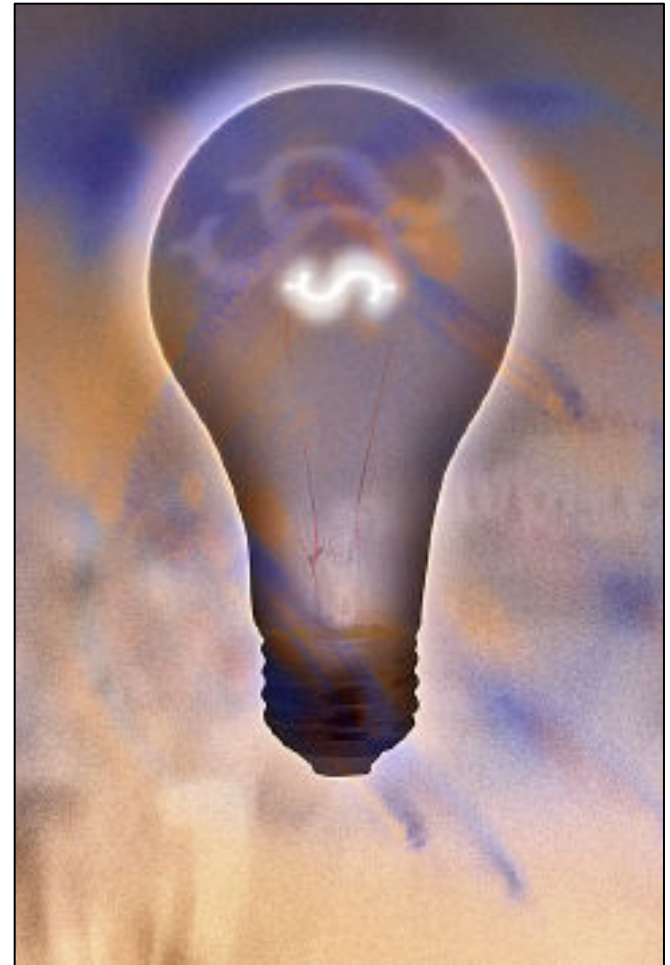
**Balance mission versus
margin!**



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CONCEPT

- “The Idea”
- Identify and visit similar attractions (comparables)

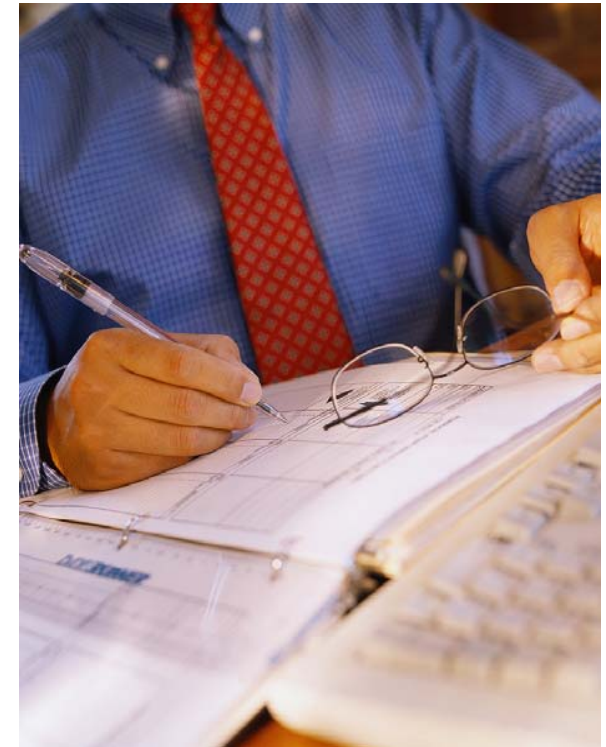


STRATEGIC PLANNING

It is an ongoing process that helps ensure you will reach your “big idea”.

Answers the questions:

- ✓ Where are we now?
- ✓ Where do we want to get to?
- ✓ How do we get there?



STRATEGIC PLANNING

A good strategy is one that defines and supports:

- the organizations “vision” (picture of the future), mission and values.
- a clear understanding of their audience (visitor, customer). Is informed by the feasibility study.
- SWOT analysis

STRATEGIC PLANNING

A good strategy is one that defines and supports:

- Consumer trends.
- Business goals.
- Your environment.
- Your resources.
- And involves your stakeholders.

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VISIONING

What's your picture
of the future?

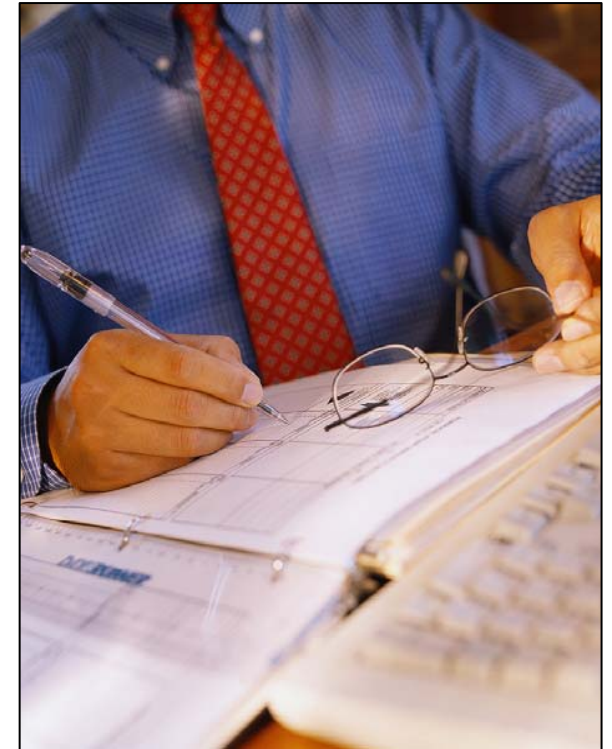
What do you want to
be when you grow
up?

Must be tied to visitor
wants and needs.



INITIAL PLANNING

Concept
Strategic Planning
Feasibility Study
Business Planning



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Feasibility Study Orientation Meeting



- Introductions and personal background
- Mission and goals
- Concept and examples
- Creative aspects

Feasibility Study

Site and Area Evaluation

- Proximity
- Physical limitations
- Access
- Traffic
- Surrounding development
- Complementary and competitive facilities



Feasibility Study

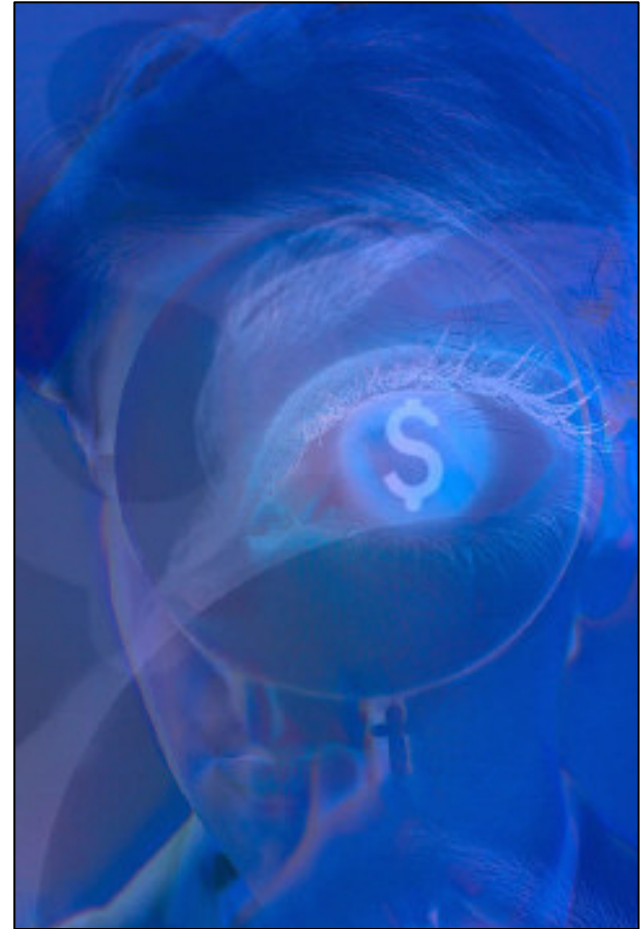
Concept and Industry Trends



- Reader may lack knowledge
- Provides introduction
- Describes concept
- Case Studies of Comparables
- Industry Statistics

Feasibility Study Market Analysis

- Resident or Tourist Oriented?
- Market Size
- Future Growth
- Characteristics
- Participation



Feasibility Study Comparable Facilities

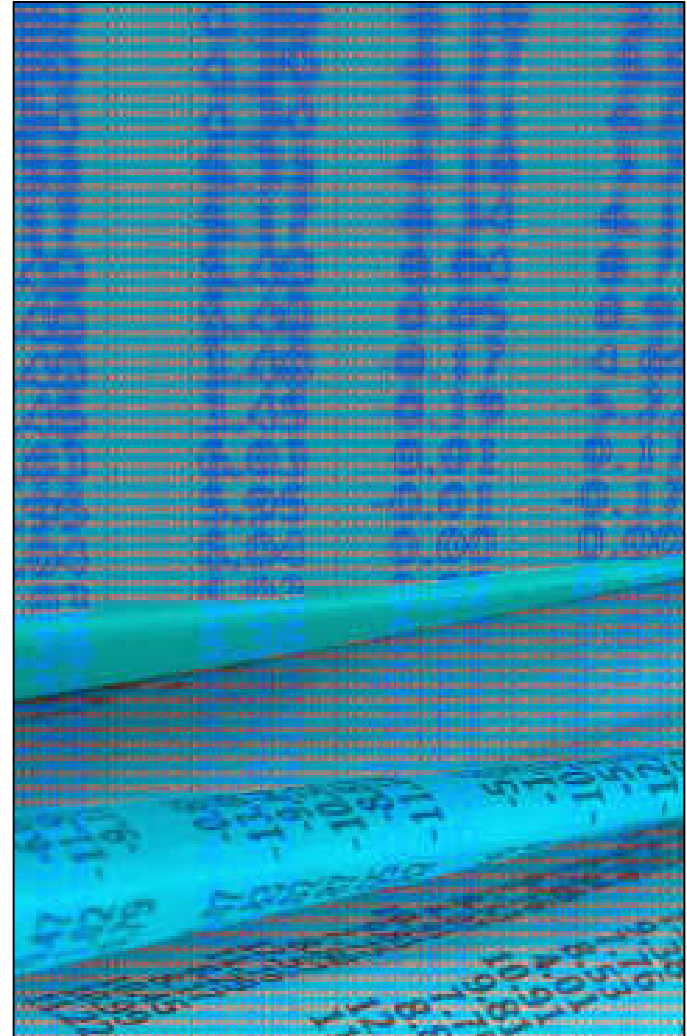
Attraction Development:
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- Location
- Physical description
- Pricing
- Attendance
- Financial performance
- Development costs

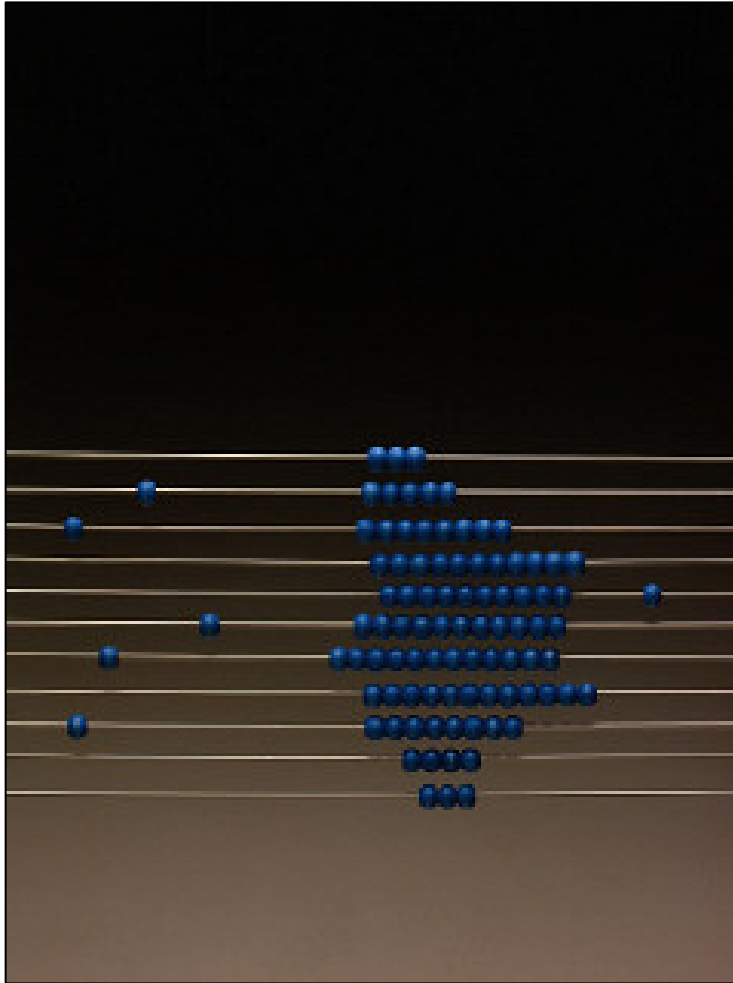
Feasibility Study Annual Usage

- Based on Concept
- Market Size
- Market characteristics
- Comparable facilities
- Competition



Feasibility Study Concept Development

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- Activities and mix
- Land & building size
- Service space
- May include concept images

Feasibility Study Financial Analysis

- Revenues
- Expenses
- Operating profit
- Return-on-investment



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Feasibility Study

Warranted Investment



- Based on profitability
- Maximum amount
- Provides reasonable return-on-investment
- Compare to expected development cost
- If more, project is financially feasible

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?

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BUSINESS PLAN

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How are you going to
operate this
attraction?

Who are you writing
this for?



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:



- Why bother with budgets
- I'll cut marketing budget first

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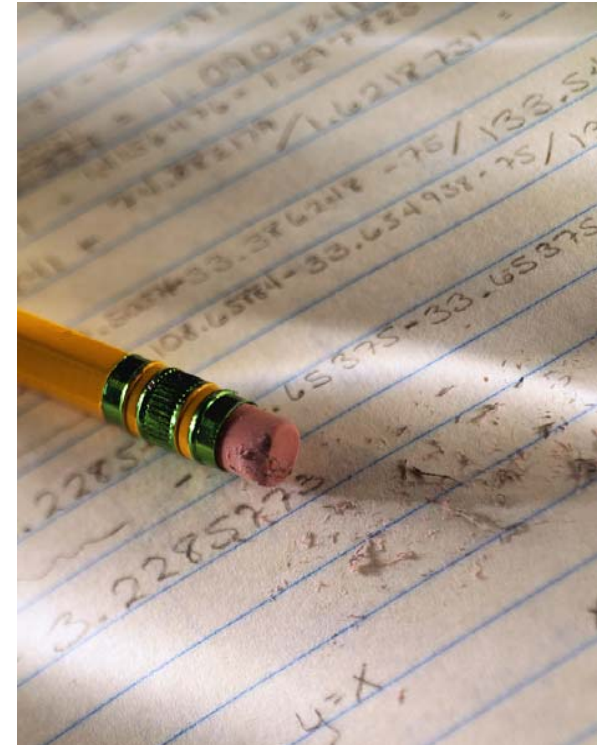
BUSINESS PLAN

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PRACTICAL TIP

Be involved in writing the plan.

Choose the right advisor to help determine model.



ENVIRONMENT

- Environmental Impact study
- Traffic problems
- Politics - rezoning
- Avoid “Not In My Backyard” (NIMBY) movements



FINANCING

- Have planning package before pursuing money
- “Seed Money” for planning
- Equity Investment
- Debt, typically from banks



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DESIGN

Designing for your visitors



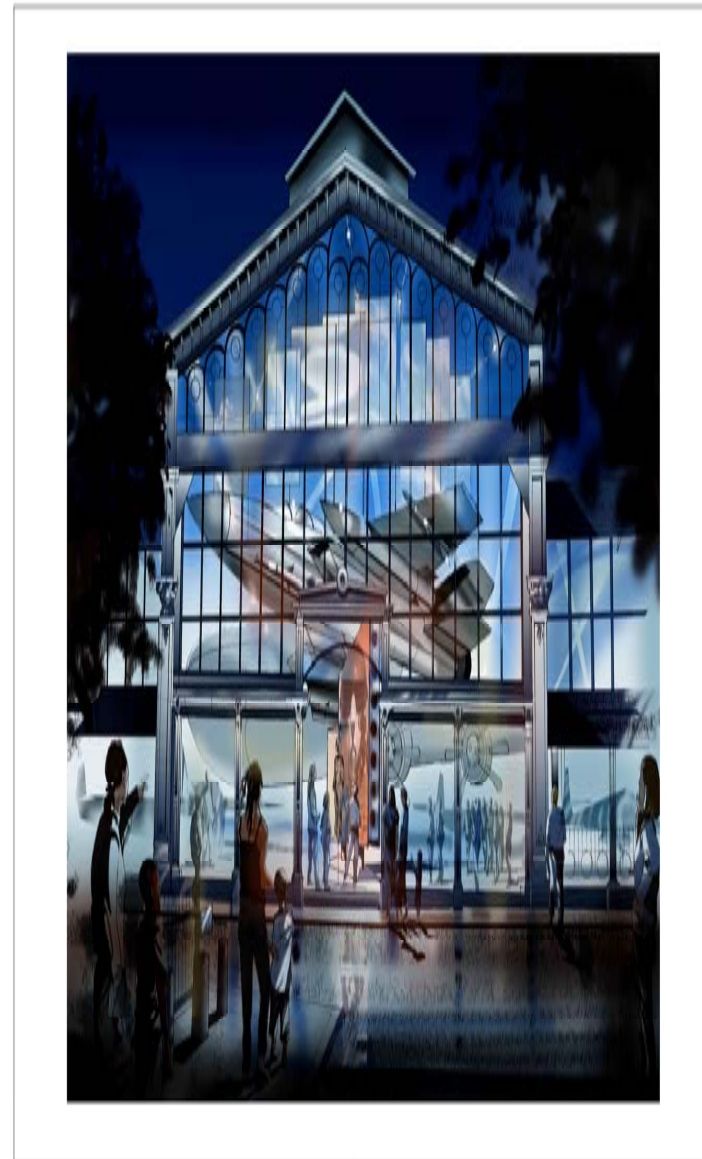
DESIGN

- Initial Master Plan
- Design Concept
- Testing
- Revisions



DESIGN TIPS

- Design for the best visitor experience.
- Who is our visitor?
- Align to vision.



DESIGN TIPS

- What's the story?
- Consider “SWOT” identified through the strategic planning process.
- Consider consumer trends.



DESIGN

Experience-Based Design

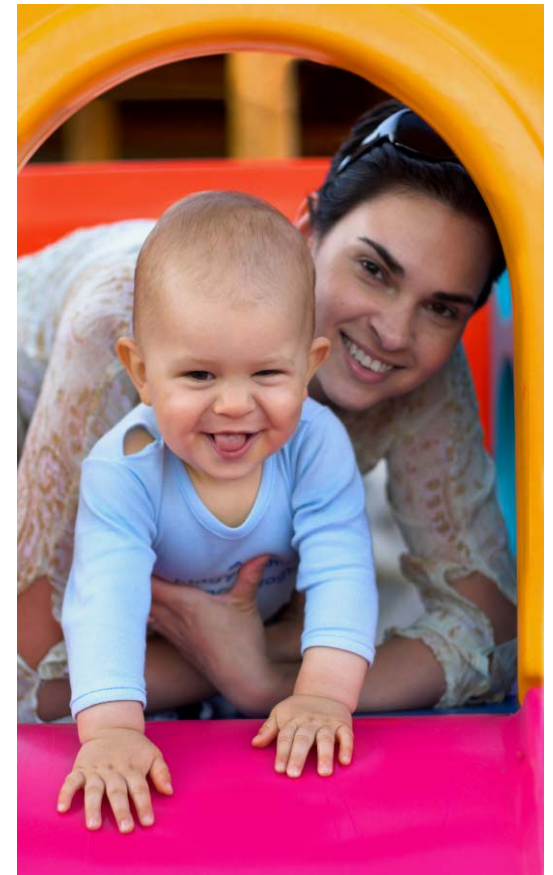
Market Research Tools

Analysis of Visitor Experience



DESIGN

All visitor experience can be broken down into many psychological elements that can be measured and managed.



CONSTRUCTION

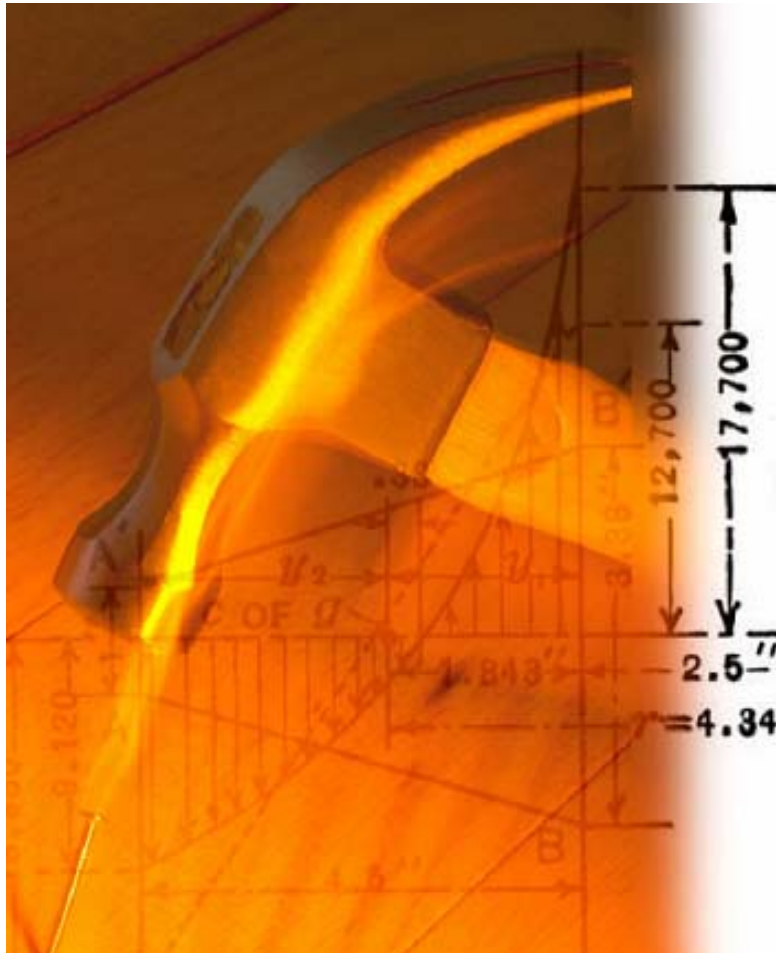
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- Leisure projects often face over-runs
- Over-building occurs
- Need knowledgeable construction management
- Avoid fast-tracking
- Contingency fund is critical



CONSTRUCTION STEPS

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- Cost estimates
- Bidding
- Negotiation
- Agreements
- “Ground breaking”
- Monitoring
- Control
- Completion

PRE-OPENING STAFFING

- Establish standard operating procedures
- Prepare schedules
- Hire staff
- Train operators



MORE PRE-OPENING STEPS

Attraction Development:
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- Start marketing
- Begin group sales efforts
- Buy and install equipment & inventory

OPENING DAY

- Have “soft opening” before announced day
- Treat media well beforehand
- Begin full operation
- Celebrate
- Think about expanding



SUMMARY

Bibliography

THANK YOU!

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