

Chapter 19

THEME PARK TOURISM AND MANAGEMENT STRATEGY

Ady Milman, University of Central Florida

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Synopsis

Theme parks represent a relatively new concept of tourist attractions and strive to create a fantasy atmosphere of another place and time. Visual and vocal statements primarily communicate the theme as well as other senses like scent and touching. Successful development of a themed attraction is a combination of writing or story telling, creative design, financial projections, audience analysis, and planning.

Theme parks emerged from traditional amusement parks, dating back to ancient and medieval religious festivals and trade fairs. This chapter reviews the development of the global theme park industry, as well as its scope in terms of attendance, revenue enhancement, visitor characteristics, and industry organization in North America, Europe and Asia.

Likely future trends of the global theme park industry are discussed, including the impact of the entertainment facilities' location and other design factors. The discussion also suggests that contemporary theme parks will develop products that enhance their guests' experiences and immerse them with fantasy feelings that they perceive unattainable, beyond their reach, or they had just simply missed in life. Theme parks of the future also will continue monitoring changes in consumer demographics, potential new markets, changing technologies, and their overall impact on social, cultural, and political thought.

1. Overview

Theme parks represent a relatively new concept of tourist attractions and strive to create a fantasy atmosphere of another place and time. Many designers and product development specialists concentrate on one dominant theme with possible sub-themes. Visual and vocal statements primarily communicate the theme as well as other senses like scent and touching. In many themed attractions, hotels, restaurant and other recreation and tourist facilities, theming is reflected through architecture, landscaping, costumed personnel, rides, shows, food services, merchandising, and any other services that contribute to the guest experience.

In modern theme parks, a primary theme unifies the structure and the organization of the park through sensory statements. As a result, many theme parks attempt to incorporate the visitor experience into almost every aspect of the park's operation. For example, visitors to Florida's Walt Disney World's Magic Kingdom experience the Mickey Mouse motif through life-size strolling characters, architecture of his residence, costumes, shows, ice cream bars, local currency, telephone directories, and mail-boxes.

Mills (1990) attributes several characteristics to modern theme parks. These include: technological wonders, spectacular buildings (exotic, vast and novel), educational presentations, sideshows to entertain and amuse guests (funfairs), historical presentations, pageant or displays, party atmosphere (fireworks, displays, and fun), and food and drink (Mills 1990). He compiles this list from the 1896 Cardiff Fine Art, Industrial and Maritime Exhibition which attracted nearly a million visitors. Mills (1990) argues these basic components are still evident in today's modern theme parks and attractions.

Most contemporary theme parks feature a dominant theme and several sub themes that are derived and linked to the major dominant theme. For example, Disney's Animal Kingdom opened in 1998 in Florida is themed around animal conservation. Conceptually, the park features three types of animals (real, extinct, and mythical) that are illustrated on the park's logo. The major animal motif is presented in seven areas of the park, each featuring a different sub-theme: Oasis, Discovery Island, Camp Minnie-Mickey, Africa, Rafiki's Planet Watch, Asia, and DinoLand.

While there is no industry-accepted classification for theme parks, these entertainment facilities can be classified by geographical span, annual attendance, annual revenue, number of rides, shows, retail outlets, and restaurants offered. In addition, theme parks may be classified according to their geographical location, capacity, or resources used to create the theme.

Traditionally, amusement parks charged patrons a modest admission price and then a fee for each ride while in the park. Most modern theme parks charge a single admission at the gate and all rides, shows, and other entertainment activities are inclusive of this price.

2. The evolution of theme parks from traditional amusement parks

Amusement parks were the historical predecessors of modern theme parks. The origins of amusement parks lie in ancient and medieval religious festivals and trade fairs. Merchants, entertainers, and food vendors gathered to take advantage of the large temporary crowds.

In the seventeenth century, large pleasure parks began spreading throughout France, and later on throughout Europe (Wilmeth 1982). These pleasure parks were the

first permanent public sites dedicated for outdoor entertainment. Attractions included fountains, flower gardens, bowling, games, music, dancing, staged spectacles and a few primitive amusement rides (National Amusement Park Historical Association 2007). While there was no admission price to enter these gardens, visitors paid for the entertainment and the amusements they enjoyed (Wilmeth 1982).

These public entertainment facilities provided the fundamental features that later were featured in commercial amusement parks. The world's oldest operating amusement park is Bakken in Klampenborg, Denmark, founded in 1583. Other old European amusement facilities include The Prater in Vienna (1766), Blackgang Chine Cliff Top in Ventnor, UK (1842), Tivoli in Copenhagen (1843), and Blackpool Central Pier in Blackpool, UK (1868) (National Amusement Park Historical Association 2007). Toward the end of the nineteenth century, the offerings of those public gardens changed to a more fast-paced, active, thrill-oriented amusement parks, as consumers' tastes and preferences changed (Wilmeth 1982).

In the North America, amusement parks date back to the agriculture fairs that emerged in the mid eighteenth century. This new economic activity emphasized agricultural trading; however, the fair also provided an opportunity for entrepreneurial street entertainers to showcase their talents like puppet shows, juggling, tightrope dancing, clowning, and strolling fiddlers (Wilmeth 1982).

Expos, World's Fairs, or International Expositions also impacted the development of the amusement and theme park industry. These international showcases provided opportunities to exhibit manufactured goods from various countries under one roof. International expositions also established an international status for the hosting country,

and provided an incentive for technological developments and the opportunity to showcase amusement equipment or “rides,” fun houses, and old-fashioned midway games (Wilmeth 1982).

The *Works of Industry of All Nations* held in 1853-54 in New York, was the first international exposition in the U.S. While this business venture failed, the creation of an amusement area as an integral part of the exhibition grounds, coupled with improved transportation and technology, helped to increase the popularity of the those outdoor entertainment complexes (Wilmeth 1982).

A major turning point in the development of themed entertainment was during the 1893 *Columbian Exhibition* in Chicago (Wilmeth 1982). The Chicago exhibition was designed like a city to accommodate the 72 nations exhibited at the fair. The *Midway Plaisance* was constructed outside the exhibition grounds and offered international-flavored themed attractions like Persian, Japanese, and Indian bazaars, a Moorish Palace, as well as Chinese, Algerian, and Tunisian villages. The theming was not only in the architecture and landscaping, but also in costumes, exhibits, and entertainment. The Chicago international exhibition introduced William “Buffalo Bill” Cody’s Wild West exhibition and a Ferris’ famous wheel that was almost 300 feet tall and 30 feet wide with a total capacity of 1400 people (Wilmeth 1982).

The success of the *1893 Columbian Exhibition* assured the continuity of scientific exhibits. The entertainment part, provided patrons a relief from the pragmatism of progress, science and technology exhibited in the international exhibitions. This exhibition also created the opportunity for many entrepreneurs to provide outdoor amusement and autonomous business ventures. While additional international

exhibitions and fairs took place around the U.S. during the 20th century, their popularity dropped, as independent entertainment amusement and theme parks have become an integral part of American life. Also, this trend impacted the development of theme parks and attractions in other parts of the world.

The emergence of Coney Island, New York as an amusement center (Kyriazi 1976) is an additional phenomenon relating to the theme park industry. Originally a seaside resort in the Brooklyn Borough of New York, Coney Island was transformed into an outdoor leisure destination that provided cabaret entertainment, vaudeville acts, fortune tellers, games, and rides (National Amusement Park Historical Association 2007).

The changing social and economic conditions at the late nineteenth century helped to create the foundation of a new crowd that helped binding a heterogeneous audience into a cohesive whole (Kasson 1978). Furthermore, technological advances, originally featured in World Expos were instrumental to the development of the amusement industry. In 1884, Marcus A. Thompson introduced his *Switchback Gravity Pleasure*, recognized as the first roller coaster in America (National Amusement Park Historical Association 2007). Coney Island was a catalyst for the first competitive environment in the amusement industry as key attractions like Luna Park (1903-47), Dreamland (1904-11) and Steeplechase (1897-1964) competed to win customers for decades.

While Coney Island was a model for an organized amusement industry, similar sea-side destinations were developed in Long Island, New England and other parts of the U.S. By 1919, there were estimated 1,500 amusement facilities in the U.S. (Wilmeth 1982). The 1920s and 1930s brought new patrons to the amusement parks seeking to

escape from everyday life and worries of the depression. During the Second World War, the popularity of the traditional amusement parks declined. This attendance drop was due to lack of needed materials during the war, natural disasters, vandalism, as well as patron disappointment with the aging attractions.

The 1955 opening of Disneyland in Anaheim, California marked a turning point in the amusement business. Walt Disney's idea of organizing amusement areas, rides and shows under a theme, created a new era for the outdoor mass entertainment industry. Disneyland, the new model of the modern theme park, was almost an antithesis of the old amusement park in quality, atmosphere, cleanliness, safety and security.

In the late 1950s and early 1960s, many entrepreneurs tried unsuccessfully to replicate the Disney's idea. *Six Flags over Texas* that was opened in 1961 was the first successful non-Disney theme park. Located on a 35-acre site between Dallas and Fort Worth, the park presented Texas history by showing the flags of past rulers: Spain, France, Mexico, the Republic of Texas, the Confederacy, and the United States. By 1968, the second Six Flags park, *Six Flags Over Georgia* opened, and in 1971, *Six Flags Over Mid-America* (now Six Flags St. Louis) opened near St. Louis, Missouri (Kyriazi 1976).

New emerging theme parks continued to capitalize on a single or several motifs included *Astroworld* in Houston (1968), *Knott's Berry Farm* in California (1970), *Disney's Magic Kingdom* in Orlando (1971), *Kings Island*, Cincinnati (1972), *Kings Dominion* in Richmond, VA (1975), *Opryland USA* in Nashville, and *Great Adventure*, Jackson, NJ (1974) (Kyriazi 1976).

Since the 1980s, the theme park industry has become larger with the development of worldwide variety of parks ranging in size, capacity, products, and entertainment offerings. Family Entertainment Centers (FEC), themed water parks, and smaller themed attractions aiming for specific market segments like Legoland (Lego bricks theme) in California or Vinopolis (wine theme) in London emerged.

3. Scope of the Global Theme Park Industry

The International Association of Amusement Parks and Attractions (IAAPA) is the world's largest amusement industry trade association. IAAPA is dedicated to the preservation and success of the theme park and amusement industry. The Association has over 4,500 members representing facilities, suppliers, and individual members from more than 90 countries. Member facilities include theme and amusement parks, water parks, attractions, family entertainment centers, arcades, zoos, aquariums, museums, and miniature golf venues (IAAPA 2007).

The nonprofit association serves the industry through a system of committees that provide direction in preparing educational programs, video training materials, and publications about the industry. IAAPA also monitors closely U.S. federal legislation that affects attraction and theme park operations (IAAPA 2007).

North America

According to the International Association of Amusement Parks and Attractions (IAAPA), the U.S. is home to more than 600 amusement parks and traditional attractions, the majority of which are family owned and operated. Some facilities, however, are owned and operated by large corporations like Walt Disney Attractions (13 parks), Six

Flags Theme Parks (31 parks), Universal Studios Recreation (5 parks), or Anheuser Busch Theme Parks (9 parks) (Zoltak 2006).

In 2005, 335 million people visited these entertainment venues and enjoyed more than 1.5 billion "rides" and generated approximately U.S. \$11.2 billion in revenues (IAAPA 2007). North America's top 50 amusement and theme parks posted a 4.2 percent attendance increase for a total of 176 million visitors in 2005. Disney's parks have the global top eight spots in terms of attendance. The *Magic Kingdom* at Walt Disney World in Florida was the 2005 most visited theme park in the world hosting 16.2 million guests, up from 15.2 million in 2004 (Zoltak 2006).

The largest North American theme parks are located in California and Florida; however, there is also a large concentration of theme and amusement parks in the Northeast, Midwest, and Southwest U.S. Although Florida's Disney's *Magic Kingdom* and California's *Disneyland* were North America's leading parks in terms of attendance in 2005 (16.2 and 14.6 million visitors, respectively), other large theme parks drew more than four million visitors annually. These included: Disney's *EPCOT Center* (Florida), Disney's *MGM Studios* (Florida), Disney's *Animal Kingdom* (Florida), *Universal Studios* (Florida), *Islands of Adventure* (Florida), Disney's *California Adventure* (California), *Sea World* (Florida), *Universal Studios Hollywood* (California), *Adventuredome At Circus Circus* (Las Vegas), and *Busch Gardens Tampa Bay* (Florida). The top twenty attended North American parks are summarized in Figure 1 and 2. (SEE PAGES 35/36)

Europe

Europe has approximately 300 amusement parks but the popularity of modern theme parks has grown in the past three decades. The growth in popularity is attributed to the increase in car ownership and disposable income (Brown and Church 1987, p. 37). Traditionally, Germany has been Europe's theme park center; however, other Northern European countries like the United Kingdom, Spain, the Netherlands, France, Denmark, and Sweden also have developed theme parks or enhanced the theming of existing old fashioned amusement parks. The reason for theme park dominance in certain countries may well be historical and social. Populations are denser in northern European countries, and in some southern European countries, particularly Italy, the traveling fair is still a major attraction (Brown and Church 1987, p. 38). The majority of European theme parks and attractions are family owned and operated (Brown and Church 1987).

Despite an uneven economy, the region's leading ten theme parks hosted in 2005 42.2 million visitors, a slight growth from 41.2 million visitors in 2004 (Koranteng 2006a). *Disneyland Paris*, hosting 10.2 million in 2005, experienced flat attendance growth compared to the previous year (Koranteng 2006a). Germany's largest park, *Europa Park*, celebrated its 30th anniversary and hosted 3.95 million visitors. *Blackpool Pleasure Beach*, United Kingdom's highest attended park reported a drop in 2005 attendance to 6 million from 6.2 million in the previous years. Figure 3 summarizes Europe's top ten parks in 2005. (SEE PAGE 37)

The recent growth of Europe's theme park industry has led to some disapproval, where some critics claimed that theme parks are an evidence of U.S. "cultural imperialism in an increasingly Americanized world" (Mills 1990). The growing popularity of these large scale attractions, particularly those with names like *The American Adventure*, seems to support this argument. Other opponents also claim that the theme park and attraction industry influence the commercialization of heritage sites and open air museums and have led to emphasize entertainment, modern facilities and a variety of dining facilities (Mills 1990).

More recently, European theme park operators face more challenges, mainly associated with competitiveness and financial sustainability. Operators in major parks like Efteling, StarParks Europe, Liseberg and Grevin & Company recently have examined new pricing, product development, and marketing strategies in their attempt to appeal to the next generation of consumers through new media initiatives such as podcasting and 3G (third-generation) mobile phones (Koranteng 2006b).

Asia and the Pacific Rim

Prior to the establishment of Tokyo Disneyland 1983, the theme parks were almost unknown in Japan. However, recent theme park developments are comparable to parks in North America, and consequently their design and operation is adopted from American or European firms. Some Japanese theme parks have modified the traditional activities of the North American parks and substituted rides and shows with visual images of extensive landscaping. Although the Japanese government traditionally has encouraged new development of leisure attractions (Paris 1988), the high cost of acquiring land is the principal obstacle for building new theme parks in Japan (Makanae

1991; Nemoto 1990). A different modification of the North American classical theme park also is found in Seoul, South Korea. The indoor Lotte World, opened in 1988, is considered the largest indoor facility in the world.

The turn of the 21st century's natural disasters and Japan's deflationary economy impacted negatively attendance at theme parks and attractions in the Asia-Pacific region (Koranteng 2006a). The most recent available industry statistics indicate that visiting guests at the leading ten Asian-Pacific parks slowed to 65 million in 2005 from 71 million the year before, a decline of 8.5 percent (Koranteng 2006a). The 2005 attendance at the world's third-most-popular park, Japan's *Tokyo Disneyland*, dropped to 13 million guests from 13.2 million, *Tokyo Disney Sea* also declined to 12 million visitors from 12.2 million, and *Universal Studios Japan* reported a 19 percent drop in attendance to 8 million visitors (Koranteng 2006a).

The theme park and attraction industry is developing in mainland China and nearby Hong Kong, where Disneyland Hong Kong opened in September 2005. Two mainland China parks in Shenzhen, Happy Valley and Window of the World, were newcomers to the global top fifty parks by hosting in 2005 2.6 million and 2.4 million visitors, respectively (Koranteng 2006a). Asia and the Pacific Rim's top ten parks in 2005 are listed in Figure 4. (SEE PAGE 38)

While many developers blamed the Asian economic recession during the last decade for slowdown in theme park projects in Asia, some argued that the success of the Asian theme park depends on customer satisfaction (Emmons 1999). Yet, the industry has been

inattentive in determining the needs and wants of the typical Asian park visitor. Research indicates that the key factors for the success of a theme park in Asia are: location, quality, safety, consistency, imaginative theme, constant advertising, and steady activities and promotions (Emmons 1999).

Ample shade from the sun and accessibility are two of the most important customer concerns often overlooked by management of Asian theme parks. Many Asians do not like to have sun tans because dark skins gives the appearance that they have been working in agricultural fields, and public transportation access is important because many potential patrons do not have cars (Emmons 1999).

4. How a theme is created?

Successful development of a themed attraction is a combination of writing or story telling, creative design, financial projections, audience analysis, and planning. The story or an idea can be expressed in one simple sentence. For example, Sea World tells the story of marine environments around the world and the theme is expressed in one or two words. The story can be more unique, creative, complex, and extensive. Disney's *Blizzard Beach*, a themed water park with the atmosphere and of a ski resort, tells visitors that the attraction was incepted following a winter storm which dropped snow over the Walt Disney World property in Florida. While Florida's first snow-ski resort was planned, the development idea was short-lived as temperatures increased and the snow quickly began to melt. Disappointed operators spotted a playful alligator sliding down the "liquid ice" slopes and realized that the melting snow created the tallest, fastest and most thrilling water-filled ski and sledge runs in the world. As a result, the ski resort/water adventure park was born (Henthorn 2006).

Today, many modern themed parks and other themed hospitality facilities like hotels, restaurants, bars, and shopping malls have adopted the concept of theming or story-telling based on pre-existing intellectual property. These include recognized folklore, mythology, legends, movies, landmarks or popular television shows. This market positioning strategy can be applied in existing natural and man-made resources, as well in the development of new attractions.

5. Visitor Profile

In spite of recent decade's proliferation of theme and amusement parks around the world, very limited statistical data and research is available on the motivation and consumption characteristics of their visitors. According to the International Association of Amusement Parks and Attractions (IAAPA), 28 percent of Americans visited at least one amusement park in 2005. In addition, 50 percent of Americans indicated that they would likely visit an amusement park within the next 12 months (International Association of Amusement Parks and Attractions 2007).

Furthermore, a recent IAAPA survey indicated that "rides" were the primary reason that Americans chose to visit theme and amusement parks. Of the many rides offered by the various parks, 46 percent of patrons said that their favorite ride was the roller coaster. There are more than 1,300 roller coasters in the U.S. At 456 feet tall and reaching a speed of 128 miles per hour, Kingda Ka at Six Flags Great Adventure in Jackson, NJ, is the world's tallest and fastest roller coaster. In addition to roller coasters, 13 percent of U.S. patrons prefer bumper cars, 10 percent prefer log flumes, 9 percent prefer Ferris wheels, and 7 percent prefer carousels. Other preferred favorite park features include shows (15%), special events and festivals (12%), greeting characters and mascots

(6%), and playing games (6%) (International Association of Amusement Parks and Attractions 2007).

Theme parks, amusement parks and attractions have long been considered the core of American summer leisure activity or vacation. However, tourist behavior has changed in the past few years. According to a recent IAAPA survey, almost half of Americans preferred a non-summer season as their favorite time for visiting an amusement park or a theme park. While 46 percent of patrons typically visit these facilities during the summer, 21 percent prefer the spring and 18 percent prefer the fall. This trend also is evident in the increasing use of “shoulder” seasons when many theme parks and other amusement facilities offer seasonal festivals and special events like Oktoberfest, Halloween, and the Holiday season (International Association of Amusement Parks and Attractions 2007).

Modern theme parks are designed mainly to cater to the family as a visiting unit. In the U.S., 59 percent of travelers to theme parks bring along children. By comparison, just over one-quarter (26%) of overall traveling households include children on their trips (Travel Industry Association of America 2005). Furthermore, U.S. travelers to theme and amusement parks spend more money per household per trip (US\$ 839) compared to other travelers (US\$ 433). On average, these trips also include longer overnight stays (5.4 nights) compared to the average U.S. trip (4.1 nights) (Travel Industry Association of America 2005).

While statistical data on non-U.S. visitor profile is scarce, theme parks and attractions, both in the U.S. and worldwide, appear to attract a higher proportion of visitors between optimum earning ages. A survey of theme parks' international marketing

managers reported quite a uniform age distribution of patrons around the United States, Europe, and other international locations. The largest age group that attended theme parks was between the ages of 22 and 55 (Editorial 2006a).

While a specific breakdown of the origins of theme park visitors is not available to the public, it has been estimated that about 75 percent of their attendance is likely to be derived from residents living within 150 miles of the park (Lyon 1987). On the other hand, some theme parks located in major tourist destinations such as California, Florida, or Texas rely more heavily on out-of-town tourists.

6. Likely future trends in the global theme park industry

Attendance and revenue predictors

One of the major critical issues facing the theme park industry is predicting attendance. Forecasting is risky because of the variety of external factors that could negatively affect attendance, such as weather, economic fluctuations, global and domestic political instability, changes in consumer tastes and preferences and competition. Slight changes in these conditions may reverse dramatically pre-season forecasting trends based on classical econometric forecasting models.

The factors predicting theme park attendance can be divided into two major groups: location factors and design factors. Location factors include the local market residing within a certain geographical range, as well as the number of tourists and their ease of accessibility convenience to the park like an airport, rail service, or a major highway. Other location factors may include weather, value of the local currency and its attractiveness to international tourists, landscape, other neighboring competing attractions, and tourist supporting facilities such as hotels, restaurants and other services.

Design factors refer to the overall attractiveness of the park and its market positioning compared to competing parks. Design factors include architectural design and landscaping, the number and type of exhibits like shows and rides, internal logistics such as capacity, length of lines, rest areas, merchandise and food service outlets, and pricing.

While forecasting attendance is challenging, some figures may help evaluating the most recent trends. U.S. theme park attendance grew in 2005 to 335 million visitors. This attendance level was the fifth and largest attendance increase during the years 1999-2005. Attendance growth at destination parks in Central Florida and Southern California was higher (3.4%), compared to regional parks where a 1.7 percent growth was recorded (Henry 2006). According to the recently published *Global Entertainment and Media Outlook 2006-2010* report, the market for U.S. theme and amusement parks is expected to grow over the next five years at a compound annual rate of 3.6 percent from US\$ 11.2 billion to US \$13.4 billion in 2010 (PricewaterhouseCoopers LLP 2006).

These growth rates projections may vary significantly between regional and destination parks (PricewaterhouseCoopers LLP 2006). The *Global Entertainment and Media Outlook 2006-2010* report also concludes that growth of U.S. theme parks likely will be influenced by the quality and amount of marketing, the products and software add-ons, competitors' strategies, weather, and other environmental variables like economic conditions, gasoline prices, or government regulations (PricewaterhouseCoopers LLP 2006).

However, Asian and European theme parks and attractions are projected to grow at a faster rate than U.S. theme parks and attractions. According to the *Global Entertainment and Media Outlook 2006-2010* report, theme park and amusement park

revenues in Asia will grow at a faster rate in the next few years than revenues in any other region of the world. With an average yearly revenue growth of 5.7 percent, the Asian amusement industry alone is expected to generate US \$8.1 billion in revenues by 2009 (PricewaterhouseCoopers LLP 2006). The report also forecasts that the theme park and amusement industry in Europe, the Middle East and Africa will grow at a rate of 5 percent, for a total revenue of US \$5 billion in revenues by 2009 (PricewaterhouseCoopers 2006).

Attendance at theme parks and attractions in Europe, the Middle East and Africa is expected to grow from 131 million visitors in 2004 to 147 million in 2009, a 12 percent overall increase. Attendance at Asian parks will grow at a faster rate, from 236 million in 2004 to 276 million in 2009, an estimated 21 percent increase (PricewaterhouseCoopers LLP 2006).

Furthermore, according to the *Global Entertainment and Media Outlook 2006-2010* report, key factors that will affect revenues and attendance are the improved global economy as well as the ongoing modernization of existing theme parks and the development of new ones. In Europe, theme park operators have been introducing new concepts and more sophisticated techniques to segment their markets. The European theme park industry has also undergone a process of Europeanization, departing from the historical influence of American design and operating philosophy. Important factors that will affect the Asian theme park and attraction industry's revenues and attendance will be the economy and the emergence of new parks and rides (PricewaterhouseCoopers LLP 2006).

Likely Future Trends

Milman (2001) provides an empirical study looking at the future of theme parks and attractions from a management perspective. The theme park and attraction general managers that participated in the study indicated that the most likely themes would be: interactive adventure, fantasy and mystery, movies and television shows, science fiction and futuristic themes, space, nature and ecology, educational, seasonal, sports, and story book themes. Less popular themes were perceived by the general managers to be: ethnic, transportation, history, cultural and demographic diversity themes (Milman 2001).

Some industry analysts evaluated the industry's outlook by predicting futuristic trends associated with admission pricing and promotions, capital additions by developing more rides, amenities (like spa facilities), indoor water parks, festivals, shows, ownership changes, and industry consolidation (Henry 2006). Other likely trends associated with enhanced guest experience, changing demographics, the impact of technology, the integration of theme parks with other tourist facilities, and the influence of theme parks on other fundamentals of society are discussed below.

Enhanced Guest Experiences

Patrons in the entertainment industry will seek more original and innovative experiences. These encounters may relate to the type of adventures sought (natural, man-made or performance), the time setting (past, present, or future), and consumers' participation level in the experience (observers, passive performers, or active performers).

Contemporary theme parks will compete more on ideas to develop products that will be enhanced with atmosphere and service. Mechanical rides or attractions that were developed historically for amusement parks will be replaced by post-modern interactive

experiences where all five senses will be continuously stimulated. In this contemporary theme park environment, employees will become more like actors and their responsibility to create a themed experience environment will extend beyond their functional operational tasks.

This trend is not unique to the theme park and entertainment industries as consumers have become more demanding for experiences rather than pure products or objects. Benedikt (2001) points out that other leisure-related experiences like climate-controlled shopping centers, massive bookstores that imitate old-time establishments with living room furniture, readings, and espresso bars, as well as movie theaters that have become movie "palaces." He concludes that "every place, every product, every service and event in the experience economy becomes themed, as though it were part of an endless carnival" (Benedikt 2001).

Also, patrons will seek more fantasy experiences that they perceived unattainable, beyond their reach, or they had just simply missed in life. This trend is consistent with theme park and attraction executives' prediction of a stronger future demand for fantasy, science fiction, futuristic, and space themes (Milman 2001). Popcorn (1991) also predicts a future craving for fantasy and adventure experience by addressing the social need for "risk taking that is risk free" and the opportunity to provide "manufactured adventure."

Theme parks will be ideal physical environments to realize these experiences safely. Consequently, as safety and security issues have become major areas of concern, especially since the events of September 11, theme parks will increase emphasis on security and safety issues, so guest will have the freedom to enjoy the fantasy experience

atmosphere. Design characteristics will also be taken into consideration to restrain urban violence, terrorism, natural disasters, and destructive atmosphere that will bring out fear or violence.

A good example that illustrates these immersive experiences is the 2006 *Year of a Million Dreams* promotion in Florida's *Walt Disney World Resort* and California's *Disneyland Resort*. During the 15-month promotion, numerous events will celebrate the dreams of guests. Dreams will be awarded every day at the Disney parks and Downtown Disney in Florida and California. The awarded dreams will include a pirate tutorial with Captain Jack Sparrow where children are taught how to live and act like a pirate, traveling around the world as a parade grand marshal in each Disney theme park, Disney Vacation Club memberships, magical Disney Cruise Line sailings, a private shopping spree for Disney merchandise, and an overnight stay at the Cinderella Castle Suite (Walt Disney World 2007a).

Finally, these enhanced experiences will be more interactive as learning and entertaining will be blended together. Technology provides an opportunity to many operators in the theme park and attraction industry to offer this type of experience. For example, Hershey Park in Pennsylvania introduced in 2006 the *Reese's Xtreme Cup Challenge* ride. The interactive ride is themed to match Hershey's own peanut butter products and allows guests to compete on trivial scenes concerning Reese's products. The riders must answer each of the questions so as to get to the next level (Editorial 2006).

The Impact of Changing Demographics:

First, theme parks will continue to cater for families as a major visiting unit; however, they also should monitor carefully changes in consumer demographics as

contemporary and future trends will create new markets for the theme park and attraction industry. Urban markets are going to be more diverse socially, ethnically, and linguistically. Berlin, for example, has experienced international migration since the early 1960s. In the 1970s, there were neighborhoods in Berlin where 15 percent of the residents had a foreign background (Eckardt 2005). Many urban cities around the world share the same phenomenon and therefore, theme parks of tomorrow will be more ethnic sensitive to guests and employees, will speak more languages, and celebrate more diverse holidays and seasonal special events.

Second, the average age of the population is increasing globally as fertility rates fall and more and more people live longer. In more developed regions of the world, the over 65 population has risen from 8 percent to 14 percent during the period 1950-2000. The over 65 age group is projected to represent 26 per cent of the population by 2050 (AARP Public Policy Institute 2003). In many countries retirement age has already risen from the early 60s to late 60s. Older people today are more educated, demanding quality experiences, and they are more skeptical. Furthermore, older people have become more autonomous travelers as the traditional senior market is being replaced by a fitter, more active and independent-minded group that is no longer interested in taking escorted tours (Del Rosso 2000).

Consequently, theme parks will feature more stories with respect for the elderly. They need to present images of active, healthy, strong, and dignified older people. Theme parks also will develop more rides and attractions with moderate physical experiences. At the same time, theme parks will provide opportunities for older people to

do things with the grandchildren. Theme park will offer value for money, physical comfort, and better acoustics and graphic design.

Third, the hospitality industry has traditionally offered luxury and expensive products for the economic aristocracy. *The Rania Experience*, for example, is a new luxury resort launched in September of 2006 in the Maldives Islands. The US \$10,000 nightly rate per couple, entitles guests to several hours of sailing daily in the resort's yacht, unlimited treatments at the on-site spa, snorkeling and water sports and all the meals and drinks (Rania Experience 2007). Recently, Forbes published their 2006 list of expensive dining spots, including *Aragawa* in Tokyo and *Alain Ducasse au Plaza Athénée* in Paris with an average per person meal cost of US \$368 and US \$231, respectively (Banay 2006).

The theme park and attraction industry should take into consideration the luxury-seeking market segment. An opportunity exists to develop premium products in the theme park and attraction industry. Luxury themed attractions should be added to the high paying customer offerings like first class airline seats, luxury cruise line suites, and lavish resorts. These themed attractions should be developed near affluent neighborhoods and rural sanctuary communities. Theme parks will charge higher admission prices and offer unique experiences like learn-while-you-play resorts where the guest will dress, sleep, play, or even work in a themed environment. This individualized approach departs from conventional theme parks that offer a unified product to all economic segments of the market.

More recently, Anheuser-Busch Entertainment opened *Discovery Cove* in Orlando. The site's premium attraction is swimming with Dolphins, snorkeling with

thousands of tropical fish, wading with the rays, hand-feeding birds, or relaxing in the park's pool. In addition, guests are offered breakfast, lunch, and unlimited snacks and beverages throughout the day (Discovery Cove 2007). The 2007 admission price is \$279 per person, more than three times the admission of any Orlando's traditional theme park like Walt Disney World parks or Universal Studios.

Furthermore, luxury product may not necessarily appeal exclusively for consumers with high income. This trend, referred by Silverstein et al. (2005) as *Trading Up* is a new economic and cultural phenomenon where consumers trade up by purchasing higher price quality goods and services while at the same time trade down to low cost alternatives for products that are unimportant to them. As a result, certain segments of the market may be willing to spend more money on luxury products, including themed experiences like *Discovery Cove*.

Finally, in 2004, Generation Xers, the 60 million Americans from age 25 to 40, spent an estimated \$2,140 per capita on overall travel involving a hotel stay versus the baby boomers, aged 41 to 59 years, who spent \$2,016. Vacation spending by Xers has climbed 66 percent per trip in the past five years, compared to 25 percent among baby boomers. The generational change has significant implications for the travel industry as younger people are less brand loyal, less likely to call a travel agent and less likely to plan far in advance. They are more likely to book online and pay for eye-catching extras (De Lollis 2005).

The Impact of Technology:

Entertainment technology has been popular in a number of settings, yet, theme parks provide the largest and possibly most impressive arena for showcasing these technologies (Macedonia 2001). Since 2001, Disney's California Adventure provides guests with virtual reality experiences by combining cultural icons, like Hollywood or the Redwood forest with technology that furnish guests with a feeling of actually being there. In addition, Disney's *Turtle Talk with Crush* is an example of motion simulation, virtual reality, and voice activated animation transforms the classical movie theater into an emotional simulation of body and mind. The experience gives guests the chance to engage in live, spontaneous conversations with the animated sea turtle. *Crush* chats, plays and jokes with guests in a totally unique, personalized way (Walt Disney World 2007b).

In addition, Disney's indoor interactive theme park, DisneyQuest, offers its guests a Disney theme park experience with cutting-edge technology, virtual reality, and 3-D experiences in a remote location (Walt Disney World 2007c). The fundamentals of this technology, a blend of a theme park and a traditional video arcade, brings the thrills of a theme park to a big screen in many local communities around the world, especially in developing countries, where accessibility to attractions is limited due to economic, social, cultural, and transportation barriers.

Furthermore, advances in computing technologies help in park management. Disney, for example, uses biometrics to validate multi-day tickets and seasonal pass holders (Macedonia 2001). The popularity of cell phones, small two-way radios, and Palm-like devices creates an opportunity for technology designers to communicate better with guests by informing them wait times of specific rides or enhancing the story telling

of specific attractions (Macedonia 2001). Finally, Technology will change traditional distribution patterns of the tourist product, including theme park and attractions.

Integration with Other Tourist Facilities

Theme parks will become more integrated with other tourist and leisure facilities. In addition to rides, shows, shops, and restaurants, future theme parks will offer supporting facilities like on-line booking facilities, hotels, night entertainment, and transportation services. Some theme parks will experience an incremental development of theme parks to full-service resorts offering sophisticated amusement-recreation themed experience blended with accommodation, recreation, entertainment, retail, and food-services.

For example, The Disneyland Resort Line (DRL) is an extension of Hong Kong's Public Transportation System that connects the city to the Hong Kong Disneyland. The Corporation has integrated the recreational and adventurous nature of the 30-minute ride in into the stations and train car design. The train has windows shaped like Mickey Mouse's head and the subway cars are equipped with velvet theater seats and statues of Disney characters. Theme park guests are able to start their experience as soon as they board the train (MTR Corporation 2006).

This integration also reflects the development and integration of well-known and well-liked brands into the themed entertainment industry. For example, Legoland California, opened in 1999, is themed around the LEGO building blocks. Similarly, Hard Rock International operates 131 Hard Rock Cafes and 13 hotels and casinos in 14 countries. Recently, Hard Rock announced in 2006 the development of a Hard Rock

Park in Myrtle Beach, South Carolina. The park will feature six unique areas focusing on culture, lifestyle and legends of rock and roll (Editorial 2006b).

Leakage Effects of the Theme Park Industry:

Theme parks will continue to have an impact on society and they will adjust entertainment and story telling to match changing social, cultural, and political thought. However, certain classical universal values like respect for the environment, peace, animal affinity, and tolerance toward ethnic and racial diversity will continue to be featured by many theme parks globally.

In spite of the industry's criticism, especially in the area of education, art, aesthetics, and social thought (Stanley 2002), the theme park industry has generated a wide circle of social, economic, and political influences ranging from town planning, historic preservation, building architecture, shopping mall design and landscaping. Theme park's impact extends further to video and computer-assisted education, home and office design, exhibit design and crowd management (King 1991). Consequently, theme parks have captured the attention of marketing, planning, and communication professionals in many non-entertainment environments.

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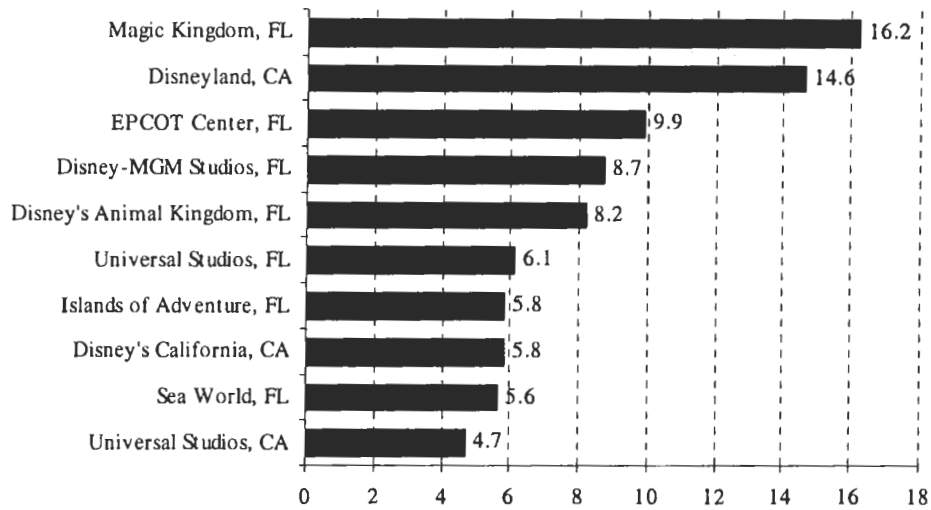


Figure 1. Top North American Amusement/Theme Parks: 2005 Estimated Visitor Attendance (millions of visitors) (source: Zoltak 2006)

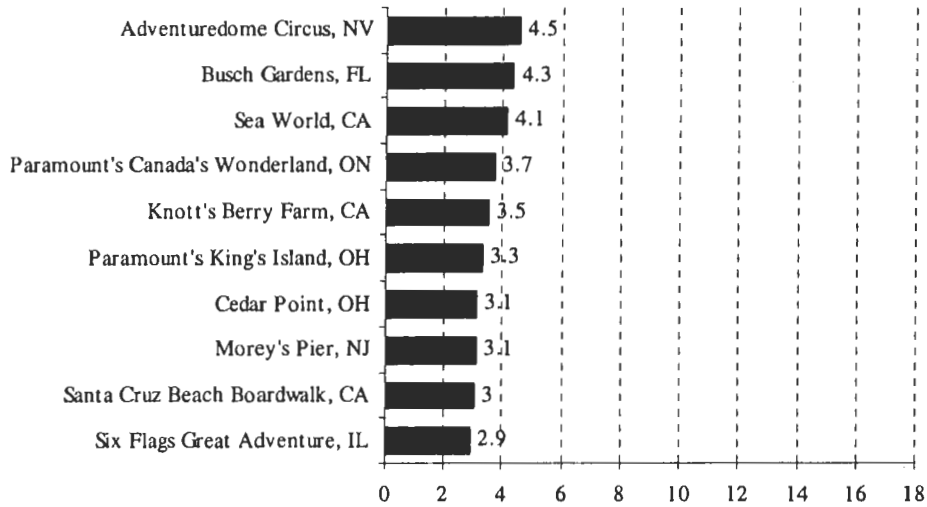


Figure 2. Top North American Amusement/Theme Parks: 2005 Estimated Visitor Attendance (millions of visitors) (source: Zoltak 2006)

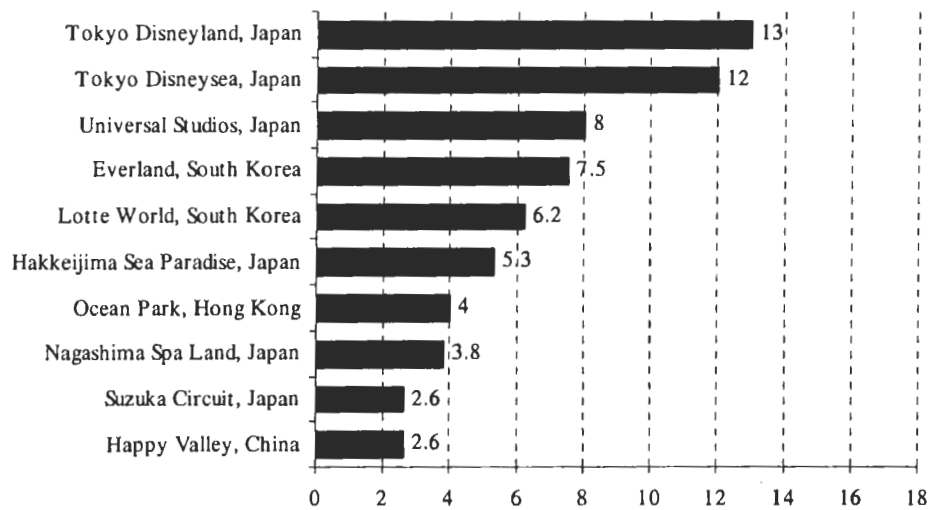


Figure 3. Top Asian/Pacific Amusement/Theme Parks: 2005 Estimated Visitor Attendance (millions of visitors) (source: Zoltak 2006)

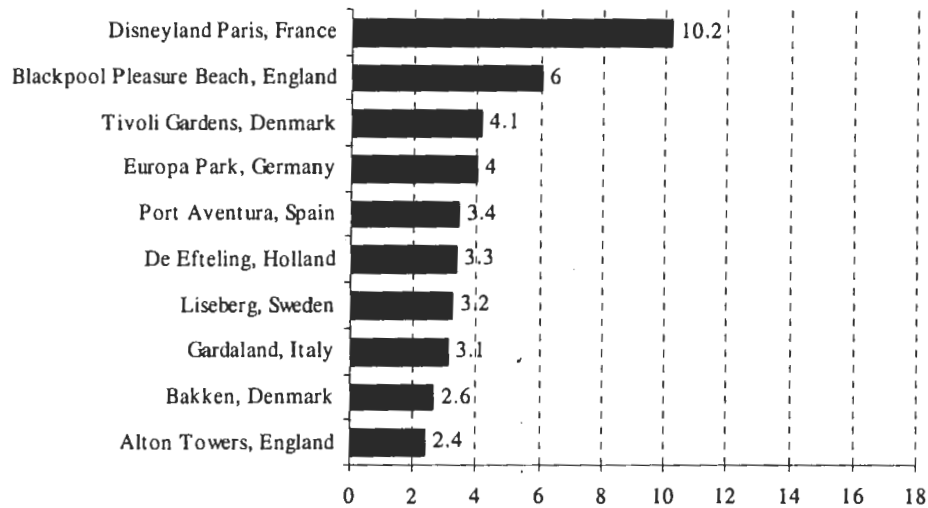


Figure 4. Top European Amusement/Theme Parks: 2005 Estimated Visitor Attendance (millions of visitors) (source: Zoltak 2006)