Theme Parks Essay, Research Paper

Theme Parks have been around since the garden parks in Europe, and the early ride based amusement parks of the 20th century. The birth of the “modern” theme park was marked with the opening of Disneyland about 33 years ago. Amusement parks are now located everywhere throughout the world, there are many different themes, but they all bear the same characteristics. These characteristics are: 1. They have family appeal; 2. They contain one or more themed environments; 3. They have some form of “ambient entertainment.” That is, strolling, musicians, performers, costumed performers And the like, who performs for “free”; 4. They have a high investment level per unit of ride or show capacity; 5. They have high standards of service, maintenance, and cleanliness; 6. They contain enough activities to create an average visitor length of stay typically 5-7 hours; and finally; 7. They will usually, but not always, have pay-one-price admission policy (Jones 1). More recently though there have been some new developments in the theme park industry. Parks that are oriented around one theme or one market is a developingtrend. A second developing trend in the theme park industry is indoor theme parks combined with retail shopping. The largest examples of these are West Edmonton mall in Canada, Lotte World in Seoul, and Mall of America in Minneapolis (Jones 2). The theme park industry over the past few years has seen some very rapid international expansion. Theme park growth has mostly been focused in Europe and North Asia. The U.S. growth is into its maturity faze right now so it is hard to compare its growth to the international markets. Developing countries are also in their beginning stages of growth, but nothing is to be expected to come out of these countries for at least 10 years (Rowe 9). When looking At the European market right now the industry has spread through Western Europe. There are large concentrations of parks in Germany, France, the Benelux countries, and the United Kingdom. The industry is expanding south ward with several planned or implemented projects in Spain, Italy, Turkey, and Greece (Robinett, 7). Currently, there are 19 major attractions in Europe with annual attendances of over 1 million, and 45 mid-size parks that have attendances between 500,000 and 1 million per year. Looking at the big picture Europe’s parks generate revenues of about $1.5 billion per year (Robinett, 7). The European market is still growing especially with opening of EuroDisney. When ever Disney enters a market it changes the structure of the existing theme parks. When EuroDisney was built the whole European market changed. It expanded the industry by creating a multi-park facility, like the one in Orlando, Florida. This was totally new to the European market. But, this was not a bad thing because “Disney tends to educate the rest of the market on the theme park product, quality of the theme park experiences, and the value of pay-one-price admission for a day of quality entertainment (Rowe, 1).” With Disney in the European market they will provide leadership for the market. This will allow other competitors to price up to Disney levels. They will also inadvertently improve the management expertise in the European theme park business. They will train and create a labor pool of experienced theme park managers which will in the future enhance the European theme park business in a whole.

To compete with Disney the rest of the European market has to reposition it’s self. Many European attractions have added new rides or shows, expanding services for the visitors such as restaurants and stores. While others who were relying on steady repeat business repositioned them selves as more active commercial attractions. Finally the European market is expanding at very fast rates but with this comes consolidation. When the market is mature and has no place to expand this will occur. . Companies will buy out other companies , and/ or partnerships will be formed. As for the rest of Eastern Europe and the Soviet Union it is too early to tell where that market will be heading. Another large market is North Asia. Asia is the worlds second largest theme park market. Japan has had the most tremendous growth dating back to post-war times. A variety of different themed attractions and amusement parks are located throughout the country. There are strong concentrations of parks in the Kanto region around Tokyo, and the Kansai region near Osaka and Kobe (Jones 5). These are two huge urban areas with huge population bases to support such a concentration. Again Disney brought the large scale theme park idea to Japan when they opened Tokyo Disney in 1983. But instead of Disney being the only large scale park in the area it has fierce competitors in the market. Including the $630 million Puroland in Tama, and the Nippon Space World in Kyushu (Jones 5). Japan currently has 29 large parks with an annual attendance of over 1 million persons, and 30 moderate sized parks with attendance between 500,000 and 1 million people per year. As a whole the Japanese market makes $1.5 billion in annual revenues (Robinett, 7). The growth in this sector for the past five years has been a strong interest in theme park development in Japan and Korea. Also, until just recently when the Stock markets in Asia crashed, there was a high level of discretionary income available for entertainment, and a heightened national interest for leisure (Jones 4). There is a negative trend in this market, there has been a retrenchment in the theme park industry in Japan. Many Japanese corporations entered the industry and unfortunately failed. Now there is an air of caution in Japan about the theme park business. This combined with the other economic troubles that the country has at this time, the theme park industries growth has been put on hold. Developing countries right now are concerned with many economic and social development issues. Some of these countries see tourism as a big step to economic improvement. There is also a growing resident market that has the income necessary to afford attractions. By the year 2010 , 83 percent of the wolds population is going to live in what we call developing countries today. Even if 20 percent of these peoples income qualified for theme park product, it would still be about 1 billion people. And many of these countries have rising income levels particularly in Asia. It will still be some time before developing countries have theme parks but according to John Robinett the countries to keep an eye on are Brazil, Mexico, India, Thailand, The Middle East, And the southeast Asian growth triangle of Singapore, Malaysia, and Indonesia (5).

31e