

Building the Right Mix For Your Market

by Randy White

Our company has consulted with a number of sick FECs, and in every case, one root cause of the problem was the mix.

Visit an ailing family entertainment center and you'll probably find a mix of attractions designed to please every possible guest, from

toddler to grandma, from blue collar worker to business executive. There's a little bit of everything for everybody, so everybody should be happy, right? Wrong. That FEC is strapped onto the gurney headed for intensive care because it hasn't provided the right mix to appeal to a target market. Its owner is learning the hard lesson that giving everybody a little bit of what they want doesn't find and keep a customer base in a rapidly expanding market with many new, specialized concepts. Picking the wrong mix of attractions or events for an FECs market area is a migraine-maker, no doubt. Our company has consulted with a number of sick FECs, and in every case, one root cause of the problem was the mix. Choose the wrong mix of attractions when you build or expand your FEC, and you've chosen trouble.

The mix is one of the critical success factors for any FEC. To make the mix work for you, read on. I'll fill you in on the many factors that must be properly analyzed to develop the right mix for your family entertainment center. The good news is, this isn't magic. It is a systematic process that works everywhere, because it is tailored to each FEC's physical size and properties, location and market. We call these factors "the dimensions of mix."

The Biggest Misconception

Your FEC cannot be everything to everybody. No, it can't for the same rea-

son Burger King doesn't offer wine lists and white linen tablecloths to its fast-food customers, and the Ritz doesn't ask diners to get their own plastic forks and bus their own tables. In any business, you have to know your customer and give that customer an experience that delights. Dashing after every possible customer will leave you exhausted and them disappointed.

People are different. Diverse market segments have diverse needs, wants and expectations. An FEC cannot create superior guest experiences for a few segments while trying to meet all the needs of all the customers that might possibly wander through the doors.

Repeat business — guest loyalty — and positive word-of-mouth determine success. To succeed, you need to give people more than they expect to receive. Delighting guests depends on selling more to fewer people rather than selling a little to the greatest number of people. We call this going after "share of guest" rather than after a higher share of the market. It's as simple as focusing on a particular market segment rather than finding the lowest common denominator. Finding your niche in the market requires that you learn what is important to a particular market segment rather than finding the lowest common denominator.

Finding your niche in the market requires that you learn what is important to a particular market segment and how that segment differs from others. Then, you "customer-ize" the FEC — its mix,

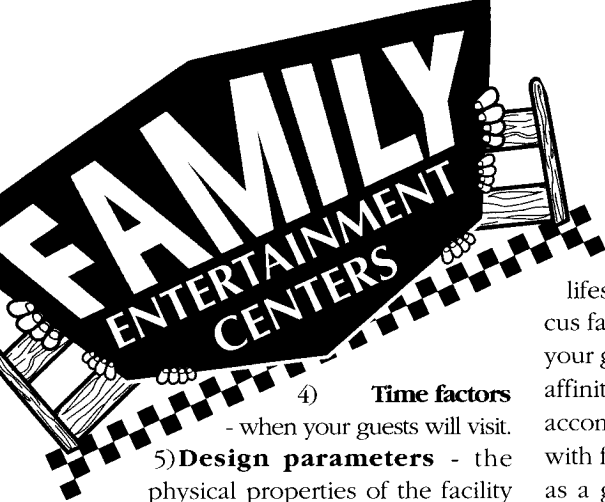
design, operation and marketing to appeal to that specific segment. It's like buying a gift. For a casual business acquaintance, sure, spring for the canister of designer popcorn. You don't know that person well enough to really delight him or her. But for your best friend, you can and have to do better. So you keep looking until you find the gift that meshes with that person's unique personality and interests. The idea is to find a narrow market of "best friend" guests whom you see frequently, rather than a broad market of casual acquaintances you may never see again.

Focused Assortment Makes for More Best Friends

When you offer an in-depth assortment of events to please a narrowly defined segment of the market, we call that focused assortment. It is not a new idea. The principle of focused assortment is a proven key to success in the retail, hospitality, service and restaurant industries. It drives the dimensions of mix for the successful FEC.

Five broad categories define the dimensions of mix:

- 1) **Focus factors** - who your guests will be.
- 2) **Motivators** - why your guests will visit.
- 3) **Market factors** - where your FEC will be located and the impact the of the external marketplace on it.



These factors include many characteristics generally referred to as demographics, but which also include psychographic and lifestyle characteristics. The other focus factor that must be analyzed is who your guests will bring with them or their affinity groups. Will they come alone or accompanied by others? Will they come with friends similar to themselves, such as a group of Girl Scouts or a softball team or with a more diversified group, such as a multi-generational family or

bad business and is especially harmful for indoor FECs under 60,000 sq. ft. Especially indoors, families and teenagers do not mix. So from now on, when you think of families, what it means is parents with children 12-years-old or younger. This is, we know, just a phase, but an extremely powerful one for parents and teens.

The sociology and psychology of child development tells us that teens need their own unique culture with their peers, away from adults and the poten-

- 4) **Time factors** - when your guests will visit.
- 5) **Design parameters** - the physical properties of the facility and design criteria.

EVENTS	BOYS & GIRLS					BOYS						GIRLS					
	1	2	3	4	5	6-7	8-9	10-11	12-13	14-15	16	6-7	8-9	10-11	12-13	14-15	16
Roller Skating																	
Tokens Games A																	
Tokens Games B																	
Kiddie Rides																	
Go-karts																	
Soft Modular Play																	
Laser Tag																	
Other																	

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In this program-element matrix, the attractions or events are cross-tabulated to the guests they appeal to, to ensure a broad enough selection for each category of guest. Matrices also can be prepared for the motivator, cross-tabulating them to each guest segment, program elements and time factors.

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Focus Factors: Will You Be My Best Friend?

When you imagine your new or expanded FEC full of guests laughing, having fun, dashing from one game to another, who do you see? What do they look like? Where do they work? What are their values? The focus factors define who your guests should be by defining the market niche you want to attract. The factors that must be analyzed to determine the focus are:

- Age
- Gender
- Socio-economics
- Geo-demographics
- Lifestyle
- Values
- Needs and wants

members of a corporate division? Typically, there are a number of possible affinity groups for each type of guest. Defining this affinity group factor is especially important when designing the mix for group or organized play.

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The Family Affinity Group Is Not What You Think

Let's say you want to target your FEC to all the happy families in your market area. That, you say, is the affinity group you want to attract. Just keep one thing in mind: Most teenagers would rather be forced-fed liver-and-spinach casserole than be seen in public with their parents. It's a common misconception that the affinity group of "family" includes the parent or parents, teenagers and children. Wishful thinking makes for

tial for ridicule. They'd just as soon avoid younger kids, too. Adults, especially women, may be intimidated by roving packs of teenagers wearing odd clothes and speaking an alien language. Americas Research Group in Charleston, S.C., conducted a nationwide survey of shoppers' attitudes confirming that teenagers and families don't mix. The survey focused on the impact of crime and retail shopping, and found that shoppers are changing their buying habits because they fear being the victims of crime. About 25 percent of the respondents said they no longer feel safe going to malls because they draw groups of teenagers and require walking through large parking lots. Another problem with trying to please both teens and adults with pre-teen children is that the two groups want different things from the experi-



ence, and many things that please adults will drive teenagers up a wall. For example, teens don't much care about the service and ambience, while adults care very much about how they're treated, the cleanliness and attractiveness of the environment. No mere mortal can design an FEC that will bridge this gap. So focus on pre-teen children and their parents or focus on teenagers. Either way you can create a successful formula, but you mix the two at your own peril.

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Motivators Tell You Why Your Guests Left the Sofa

What do your guests want from their trip to your FEC? What got them to turn off the TV, store the lawn mower or close the book and go to all the trouble of planning an outing to your FEC? By defining the motivators you can define the experience you will create for your guests. A Leisure Trends/Gallup survey of 5,000 Americans identified nine categories of motivators for leisure activities. Of those, seven are possible motivators for going to an FEC:

- Pleasure-seeking;
- Escape or a "fantasy adventure," a major trend identified by Faith Popcorn;
- Accomplishment, through perfecting a skill or creating something;
- Competition;
- Learning or discovery; and
- Relaxation and recuperation.

The motivators show you how to satisfy particular needs, wants and fears of your guests. An FEC can build on many motivators within your market niche, but rarely can it satisfy all of them for all your potential guests. The most enduring success comes from focusing on a particular market segment and fulfilling a few key motivators for that segment.

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Market Factors Work From the Outside In

Market factors are external to your FEC. They include:

- The market size for your defined market segment, based upon the geographic boundaries of the market area and the resident and business population with it;
- Competition; and
- Your guests' expectations.

Guest expectations are included because they are shaped by market factors like the actions of your competitors and other consumer industries, what consumers have experienced and their value perceptions based on those experiences.

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Time Wants for No FEC

Will you attract the night owls? The early birds? What about the sun-seekers or snow bunnies? Time factors identify when your guests will visit your FEC, and includes the season of the year, day of the week and time of day. The table on the previous page is a time matrix for a generic FEC that identifies seven distinctive weekly time periods of attendance. Different parts of the market

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niche, particularly affinity groups like birthday groups or Girl Scout troops, will come at different times.

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Design Parameters Put the Mix Into Three Dimensions

Design parameters are the physical character of the FEC, broad categories of events and mix criteria to be met:

- **PHYSICAL PROPERTIES:**
 Where is the FEC located? How visible and accessible is it? How big is it? Will the FEC have indoor or outdoor events, or both? Inside, how far apart are the columns spaced and how high are the ceilings?
- **EVENT CATEGORIES:**
 Will events be participatory play and recreation or passive entertainment? Will the participatory events be structured or free

play? Physical play or rides? Skill-based games or no brainers?

■ **MIX CRITERIA:**

For the mix to work, the events and attractions must meet a number of criteria:

- *Critical mass* — the FEC must achieve a significant size and mix variety so it is perceived as a destination attraction that appeals to the target market.
- *Repeat appeal* — the mix must draw the guest back at the desired frequency of visits.
- *Length of stay* — the mix must keep guests in the FEC long enough to create market reach. The distance and time that guests will travel to an FEC have a direct relationship to the length of stay. However, if the length of stay is too long the frequency of attendance will drop.

(Like Disneyland, for example, where you can stay for a week but visit once in a lifetime.)

- *Anchor and impulse attractions* — the mix of anchor, like roller skating, and impulse attractions, like an arcade, must be balanced, along with events that provide an overall profitable revenue stream.
- *Perceived value versus cost* — this includes everything above, along with other influences on how the guest perceives value, such as quality, cleanliness, service and ambience. For guests to come back, in their eyes they must have received more than the cost of the visit. The cost includes not just the money spent, but the entire investment of drive time, effort



story-line for the FEC to create a unified and memorable guest experience and image.
• *Rhythm* — the pace, duration of play and cycle of play.

to get ready, parking, getting the kids in the car, etc. If it costs more than it was worth, that guest will not come back.

- *Story-line and theme* — the mix must complement and contribute to the FEC's theme and

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Rhythm Means You Heat Up, Then Cool Down

While the average four-year-old may be an exception, most guests cannot sustain an intensive pace over time. People need to rest, to catch their breath and socialize with family and friends.

To act as an anchor, the duration for a

group of four or more needs to be at least 45 minutes or even better, one to one-and-a-half hours. The rhythm and cycle of play creates that duration, while allowing social interaction among the group. Other events move faster, like token-operated games. Playing a number of games in sequence can take on a rhythm. Due to the cost of playing the games and their faster pace, however, the cost versus perceived value can quickly get out of balance. That's why games must be ancillary to the anchor attractions, which cost less per hour to play.

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All These Elements Go Into the Mix

You need to know a lot to be able to create the right mix of events and attractions. Focus factors, market factors, motivator, time factors, design parameters — it all adds up to the heartfelt thanks of a grateful market niche. Without taking these five elements into account, you may as well pack it up and move back in with the folks right now, because your FEC is going to wind up in trouble. The five categories of the dimension of mix form a matrix that defines the mix or at least defines the specifications for the program elements, to which individual events can be matched. While we can be pretty impressive, we haven't yet mastered the impossible. Therefore, instead of a five-dimensional matrix we use several two-dimensional matrices to work through the problem. For example, figure one shows a program element matrix. In it, the attractions or events are cross-tabulated to the guests they appeal to, to assure a broad enough selection for each category of guest. Matrices also can be prepared for the motivator, cross-tabulating them to each guest segment, program elements and time factors.

A lot goes into creating the right mix, just like you spend more time finding the right present for a best friend than for a casual acquaintance. The time and work pay off by giving you the foundation for success. The right mix alone isn't enough, though. How you present your gift-service and atmosphere, price and marketing give you a total package that delights your new best friends. ■

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