

FEC focus: finding the right mix

Making indoor golf, soft play, playgrounds, jungle gyms, laser tag, climbing walls and a wide range of other entertainment products, then harnessing it all into a turnkey FEC, means that International Play Company effectively does it all

PLAYCO, as its name is abbreviated, has become the established name for taking a space and then building it from the ground up into an FEC - plus producing all of the content.

The Canadian company has become so proficient at the science of FECs that it decided to go one better than produce a brochure – it produced its own 'shop window' location.

Anyone thinking of building, developing or investing in an FEC now simply goes to The Great Escape at Langley, British Columbia, where they can see everything under one roof. The Mayan indoor playground, a two-level laser tag, 3D indoor mini golf, Highway 66 bowling, the Air Trek Obstacle Adventure, the Ballistics Arena, a toddler playground, arcade with redemption games and a café, are all there, in a standalone location.

It has become the fun hub of the local community, servicing birthday parties. corporate events, team wind-ups, team building, fund-raising, private parties, all-night parties and a mecca for families seeking a pleasant pastime.

Given all of this, Iplayco could be reasonably said to be the great expert on FECs, how they work, the best combinations and the whole

principle of offering family fun. The company doesn't even subscribe to the overall view that family entertainment works best in a retail environment.

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"There is still a real mix when it comes to location for FEC installations," said Scott Forbes, president of Iplayco. "There is no straight answer except to be more location specific. Some projects require a retail atmosphere for high traffic shopping centres to provide additional foot traffic exposure to the facility, while others such as strip malls and free-standing mixed commercial use buildings, provide generally lower lease or rental commitments. Through marketing and advertising initiatives, these facilities can do well and are really more of a destination location. It really comes down to a good business plan as well as other important factors such as adequate parking and access to the location itself."



The exterior of The Great Escape

Iplayco, dealing internationally, is in an ideal position to evaluate that. "Each country and continent has specific requirements or considerations such as weather, economics, language, religion and various other important factors which must be taken into account when creating a business plan and the criteria to be successful there.

"Even in North America there are differences between cities. People from Brooklyn may not go to a facility in Staten Island. Transportation and other factors pose important questions when you are preparing your business plan. You have to find out what the intangibles are that will draw customers from further distances and decide whether the investment is such that you are a true destination or if you are a community-sized facility."

There is a difference, it seems... The product mix that was put into a Discovery Zone in the 1980s is very different than that to be found in an all-ages facility such as Dave and Busters or The Great Escape, which have offerings for all ages.

"Rides, giant playgrounds, sports events, interactive components, 4D theatres and other larger attractions are also being considered in larger 'destination' FECs looking for larger demographics and higher visitor traffic than in a smaller community FEC. That isn't to say that a well-designed café and play atmosphere with a playground and great food won't succeed. If the business plan and operations are created dynamically for a certain community then it has every chance of success.

"But there are now various sizes of FEC to consider, rather than the basic concept of a playground and snack bar compared with the style which started off years ago. Internationally it is similar, but we are seeing large playgrounds with sports and interactivity taking over from actual rides or arcade games with redemption.

"Fitness through fun play activity seems to be more dominant in Europe and the Middle East. Asia still has a mix of arcade and redemption as a standard element but the rest of the world seems to have various sizes and content, depending on the use and demographics of each area."

While developers and operators are interested predominantly in ROI, is there evidence to show that, for example, a soft-play attraction will perform better if there is a climbing wall adjacent or that bowling needs an additional element such as laser tag, or that an aerial adventure trail can dovetail with a set of battery-operated bumper cars?

The Iplayco view is interesting, because these combinations are exactly what has gone into The Great Escape. How do they co-relate? "It depends upon the facility. ROI involves all aspects of the business from location to demographics to rental rate, size of facility and content of attractions. All of this comes down to the grand plan for each facility.

"The playground is certainly an important staple of most facilities but having climbing walls, laser tag, bowling and other attractions allows customers to have 'fries with the burger'. Once you have the customer at the facility they are a captive audience, so provided that the attractions are of a quality and the pricing is good to give perceived value, the customer will return more often and spend more once they are there.

"Great food service is also more important than most facilities realise. Reinvesting each year also shows the customers you are prepared to reinvest their hard-earned money into the facility while it also allows for new experiences which creates for the customer a need or desire to return."

ROI, says the company, needs to be tracked, partly based on cost analysis of each game, ride or attraction, but not exclusively as by just having an offering for parents to join in or party add-ons are also important. "It isn't just a case of a 'loss leader' in this respect. It is vital to



have a large enough variety in your offer that the customer views your location as providing better value and a wider variety of events than that of a competitor.

"Keeping a mix of 25 per cent of your equipment within two years old, 25 per cent within three years and 25 per cent less than five years old, with the final 25 per cent more than five years, means that you are striking a balance between current games, popular games and old stand-by games (just make sure that the older ones are in good, working order)."

It is this mix of great new, slightly older and timeless favourites which gives the value for money. Pricing games according to their age, so that newer ones may cost more but older games are reasonable but still fun, is a skill by itself. "If a game falls to the bottom revenue for six months in a row, it is likely time for a replacement."

But are there elements which do NOT work together? Has the experience of operating The Great Escape taught any lessons? "Every FEC has to consider one substantial cost which is tied to having a variety of attractions: that is staff.

"In order to offer an array of events and games you must adequately staff these areas, so careful consideration must be given to which events/rides/games you choose for the facility. Bowling is an example; it is a good attraction and has a decent profitability but does have maintenance issues from time to time.

"Really, any attractions with moving parts that can be manipulated by the player will have some degree of maintenance required.



Climbing walls are also tricky as they require trained staff and can be sporadic with guest interest. As far as what works best in combination, a playground with ballistic arena and a great toddler play area are a must. But with either laser tag or air/trek, climbing wall area, or with redemption and bowling, we believe, are good combinations.

"Golf works really well as an additional profit centre, but only as an additional attraction and not as a main event. Arcade games, if pursued should be selective, especially if your customer base is primarily 12 and under. Be careful of violent games that may not mix with younger customers.

"The combination of adding these attractions to a party package really helps increase the party value as well as the variety and capacity of the facility. What you can do is spread the customers out into various areas instead of just one or two main attractions. This is better for repeat and walk-in visits too."

But what makes money? It seems there is no really simple answer to that. In the case of The Great Escape, says Iplayco, the playground with two interactive floors and a ballistic arena at no extra charge may be the number one attraction, but it cannot be accurately put into numbers as a statistic of how much each item brings in each month.

"For simplicity's sake, I would rank the various main attractions thus: 1 playground and ballistic arena; 2 laser tag; 3 Air Trek, 3D mini golf, bowling arcade, redemption, climbing wall."

Would Iplayco do anything different next time around? Tweaks and minor changes, they say. "If we did something different it might be to go bigger and add in our new science/ interactive areas and dramatic play systems with which we are enjoying great success in children's museums and school groups. This adds in extra daytime revenue."

Take a look at www.discoverykidslv.org which will show the new giant science tower The Summit with interactive exhibits, which Iplayco is involved in creating for edutaining visitors to Las Vegas. That alone shows graphically just how far the FEC can go today.