

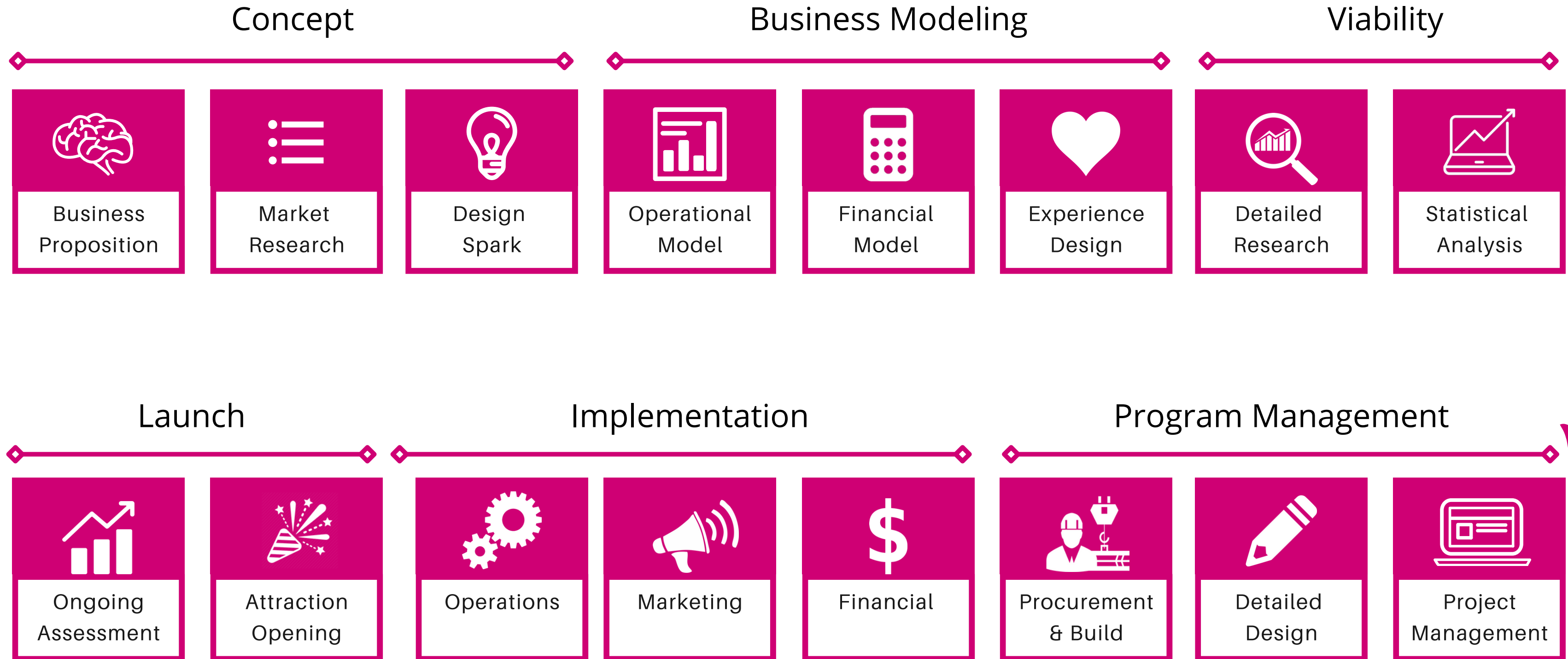


SPIDER
entertainment

**FIVE INDICATORS
THAT SHOULD
PROMPT YOU TO
REVIEW YOUR MALL
ENTERTAINMENT
STRATEGY**

SPIDER BUSINESS STRATEGY SERVICES

Founded with an operator-led mindset, Spider has an unrivalled team of experts that manage every step from business idea to viable attraction





The Skinny Version:

The need for retail and facility operators to understand all opportunities to maximise their revenue is essential, especially in these trying times. One strategic option for malls is the addition of a new entertainment element. This brief overview charts some of the issues that may point to a mall considering this strategy.

01

Declining visits and short dwell times

Different entertainment solutions can prove highly effective as strategic levers for specific catchments.

02

Poor customer experience scores

Missing 'Social Entertainment' elements often translate directly to missing demographics and poor customer satisfaction scores.

03

Rising vacancy rates

Store closures can present an opportunity to evolve the entertainment mix.

04

Increased competition for audiences

New 'Location-Based Entertainment' projects are stealing audience share. Time to fight back!

05

Changing audiences and attitudes

New audiences, new attitudes and pent-up demand for social experiences are creating opportunities for malls to re-invent themselves.



DECLINING REPEAT VISITS AND SHORT DWELL TIMES



LOW REPEAT VISITS AND SHORT DWELL TIMES

Operators that have chosen the perfect location, based on gravity models and demographic data - only for the attendance to dwindle as people visit once, and return infrequently (sometimes never again) can signpost that the current offer is not meeting guest expectations. Facilities that enjoy a strong headline footfall, but on a fleeting basis may well be missing an entertainment “hook” to ensure retention of the key audience.

There is a strong, well documented correlation between distance travelled, repeat frequency and dwell time in relation to spend. Different entertainment solutions can prove highly effective as strategic levers for attracting customers and driving spend from primary, secondary and even tertiary catchments.

CIAO!



**LOW GUEST EXPERIENCE SCORES
AND MISSING DEMOGRAPHICS**



LOW GUEST EXPERIENCE SCORES AND MISSING DEMOGRAPHICS



Source: ECE

The need to consider the guest experience when traversing a retail venue is essential. Too often the hope has been that brand stores and F&B will create enough of a draw. This forgets that customers do not just want to shop, but also crave experience and entertainment. Demographic comparisons of catchment opportunity vs reality often point to a gap in the current offer, whilst exit surveys can (if included) highlight how the entertainment could improve customer satisfaction.

The new “Social Entertainment Mix” calls for a diverse offering from any venue hoping to remain relevant. Landlords adopting this approach are gaining first-mover advantage. The recent news of ECE’s Potsdamer Platz mall simultaneously introducing a new Mattel:Play concept and a Mercato Metropolitano is a perfect example of how forward-thinking landlords are evolving food and entertainment to maximise customer relevance and spend.



Sorry

RISING VACANCY RATES

CLOSED



RISING VACANCY RATES

Historically, the introduction of suitable attractions into a mall was governed by space available. Now with the disappearance of certain major anchor retail brands, new space has been freed up that could now be turned towards the introduction of new entertainment offerings.

The “Flexible Technology Model” being placed in many of the new generation of attractions means they can be accommodated in a mix of spaces. Malls have always been comfortable with the idea of constantly evolving the retail mix, but recent changes have created the chance to rethink and re-imagine how the entertainment mix evolves as well.





INCREASED COMPETITION FOR AUDIENCES





INCREASED COMPETITION FOR AUDIENCES



Source: Red Bull

Where once a cinema and F&B component would convince landlords they had a competitive offer, there is now a constant encroachment of new “Location-Based Entertainment projects”. Fuelled by the growth in the entertainment sector, this is creating competing attractions that are poaching audiences once attracted to the mall.

The resulting pressure on business models is a common trigger for landlords to reconsider the entertainment mix for a mall, to ensure the venue stays relevant.



CHANGING AUDIENCES AND ATTITUDES





CHANGING AUDIENCES AND ATTITUDES

With many malls incorporating residential and office space into their asset strategy, the needs of audiences are evolving. To maximise the opportunities literally living on the doorstep, a “Staycation” mentality is required and getting the entertainment strategy right has never been more important. Malls need to identify the right mix today, and the flexibility required to remain relevant tomorrow.

When added to the pent-up needs of the Post-Pandemic consumer, experience will be a key factor in coming years. The ability to develop an “Entertainment Offering” that suits the needs of all returning guests, draws in absent demographic groups and which is compelling enough to face new competition are factors that will define not only a mall’s success, but also its survival.



Source: URW



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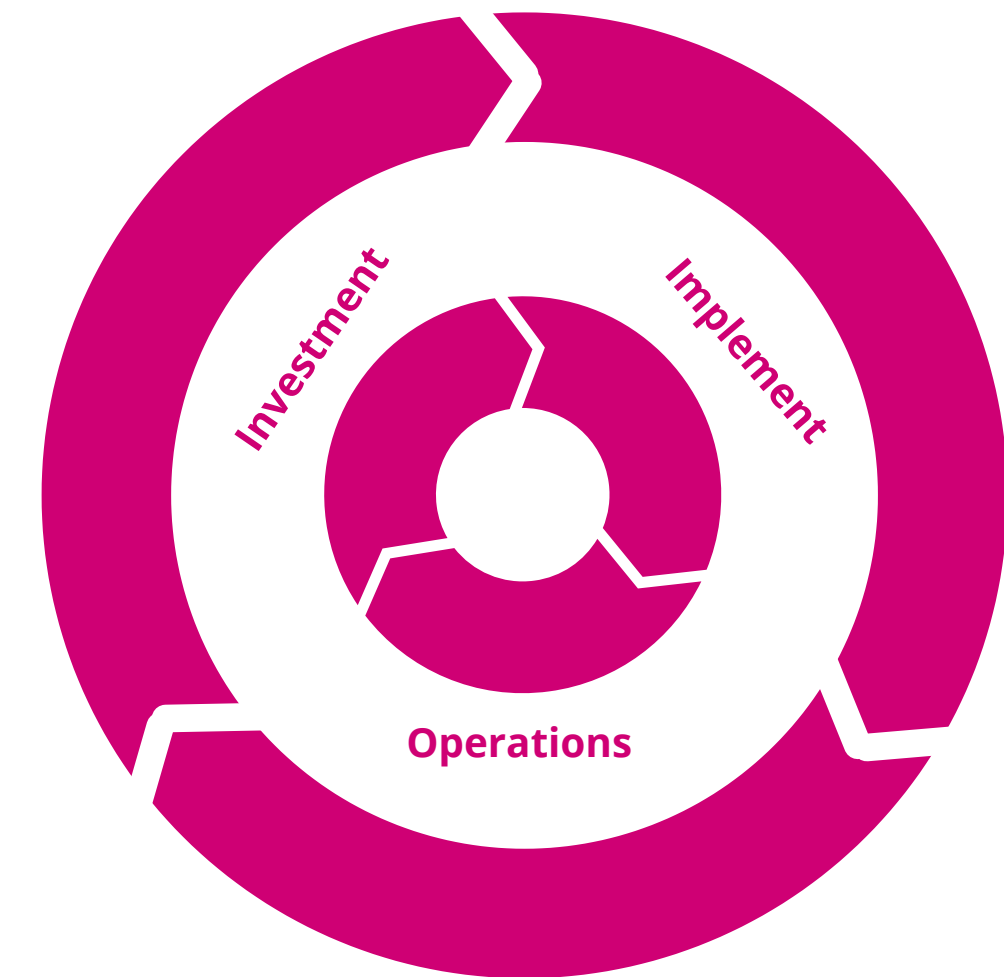
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CONCLUSION

These are just five of the considerations that any operator or venue owner will now have to make towards staying relevant. The need to retain expert advice is essential in the process; an understanding of the different available components, the needs of the market, and possible competition are all issues to consider. As the market begins the process of looking at the loss of prime retail brands, a new consideration has to be made regarding what can fill these spaces, and what new revenue opportunities exist to drive a return of the audience.

The future holds plenty of challenges for malls, but many of them offer new opportunities that will bring with them much reward.

Development



Delivery

Evaluation

ABOUT THE AUTHOR



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Kevin is Co-Founder and Technology Director for Spider Entertainment, a Global leader in Out of Home Entertainment for retail destinations. Kevin is a widely-respected expert on entertainment and technology. A regular presenter at international conferences, Kevin is also a regular speaker at the Foundation Entertainment University, a bootcamp for FEC investors. He also holds the role as one of the senior judges of the VR Awards.

Kevin is editor of the Stinger Report, a-must-read for those working or investing in the amusement, attractions, and entertainment industry. Kevin's consultancy KWP Ltd specialises in helping international clients develop immersive and interactive entertainment.



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