

MIXED BLESSINGS

From Meow Wolf's Omega Mart in Las Vegas' Area 15 to KidZania in London's Westfield shopping centre, attractions are driving retail footfall, but which experiences work best? LDP partner Kathleen LaClair summarises the trends

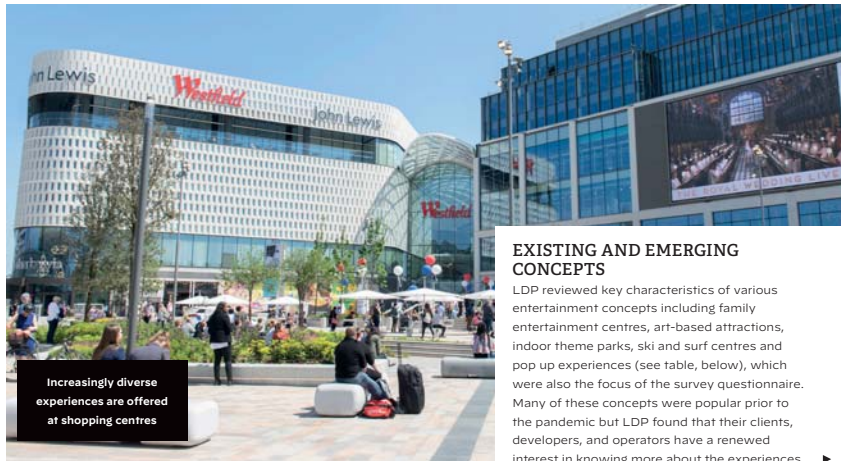
Leading economic advisory firm Leisure Development Partners (LDP) authored a White Paper for MAPIC and the LeisurUP retail conference titled *Established and Emerging Concepts in a Retail Setting*.

Looking at which attractions work well in retail environments and help arrest the decline in footfall that's plagued retailers pre and post the COVID-19 pandemic, LDP reviewed the different attraction types, their key characteristics and performance metrics. LDP also highlighted several case studies, and together with leading primary research company A Different View, carried out a UK survey to gather data on people's past and anticipated consumer behaviour in relation to the different attraction types in retail centres.












Role play experiences at KidZania drive footfall to Westfield shopping mall

PHOTO: KIDZANIA

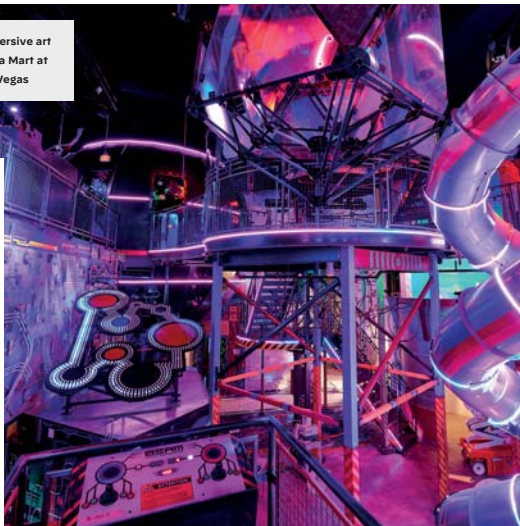


EXISTING AND EMERGING CONCEPTS

LDP reviewed key characteristics of various entertainment concepts including family entertainment centres, art-based attractions, indoor theme parks, ski and surf centres and pop up experiences (see table, below), which were also the focus of the survey questionnaire. Many of these concepts were popular prior to the pandemic but LDP found that their clients, developers, and operators have a renewed interest in knowing more about the experiences. ▶

TYPE	EXAMPLE	TARGET MARKET	
FEC	KidZania Main Event		Indoor attraction typically geared towards families with a range of games and activities, typically including bowling, video games and laser tag
Indoor theme park	Nickelodeon Universe		Large indoor venue incorporating thrill and family rides, games, and F&B
Competitive socialising	Flight Club Pinstripes		Entertainment centre focused on activities such as darts, ping pong and crazy golf with a quality, high-end F&B experience
Artainment	Team Lab Meow Wolf		Immersive art + technology entertainment experience, usually incorporates music and lights in various rooms/ installations
Pop-Up	Friend's Experience		Temporary entertainment experiences focused on a range of concepts from favorite tv shows, food, music and more
Adventure/ action	The VOID, Autobahn Indoor Speedway		Separate or clustered activities such as high ropes course, climbing walks, skydiving
Indoor waterpark/surf	DreamWorks		Indoor water play ranging from a full scale park to a specialty surfing experience
Indoor ski/snow	Ski Dubai		Indoor snow elements ranging from a cluster of simple play structures (igloos) to multiple ski slope runs, tubing trails and lifts
Garden/eco	Green Planet		Indoor garden or eco-walkthrough experience, sometimes with birds or other animals

Meow Wolf's immersive art experience Omega Mart at AREA15, Las Vegas



▶ CATCHING UP OR GETTING OUT AHEAD?

Various challenges facing retail owners and developers across the globe spurred the 'retailtainment' trend in traditional shopping centres. Anchor tenants and national brands were vacating large spaces due to downsizing of the portfolio during economic downturn and the ramp up of online shopping, which created less footfall in retail centres. The first wave of this trend tended to be reactive in nature, a response to these challenges. Developers figured out that adding entertainment tenants complemented and refreshed the existing offering, extended consumer stay, attracted new customers and brought previous shoppers back into the fold.

THE REACTIVE APPROACH – WESTFIELD, LONDON

Westfield London is a prime example of a traditionally planned retail centre adding entertainment tenants, in some instances into large spaces previously leased by major retailers, to increase footfall and spending.

Westfield opened in 2008; the original development was a traditional mall with a mix of anchor and secondary tenants and purely focused on retail. Opening at the onset of the recession was a significant challenge and the shopping centre struggled for the first few years of operation. Developers began to plan the next chapter for the centre, and expansion plans developed in 2012. With retailtainment an established trend, developers added KidZania and other entertainment tenants including a 20-screen Vue Cinema, All Star Lanes, Puttshack, City Boulder and Upside Down House, as well as a multitude of bars and restaurants.

The second trend of entertainment tenants in retail started a bit later – proactively thinking about new ways to incorporate entertainment into new retail destinations. These purpose-built developments are typically heavily focused on entertainment, with complementary food, beverage and more traditional retail offerings. Developers are rethinking traditional mixed-use or RDE (Retail, Dining, Entertainment) districts to be focused on the latter, as younger generations continue to look to the experiential activities as their chosen way to spend time and money.

Upside Down House opened at Westfield London in 2021



PHOTO: UPSIDE DOWN HOUSE

Developers began to plan the next chapter for the shopping centre



PHOTO: KAREN BUSSEL LINDENOW WOLFF



PHOTO: AREA15

The AREA15 developers focused on experiential entertainment

THE PROACTIVE APPROACH – AREA15, LAS VEGAS

Originally a Mercedes Benz dealership, the land that is now AREA15 was initially re-planned as a traditional mixed-use development that failed to come to fruition after the Great Recession. Developers Fisher Bros. and Beneville Studios saw an opportunity to build something that could compete with the entertainment giants along the Las Vegas Strip, and they proactively focused on experiential entertainment and science fiction.

The first anchor was Omega Mart, an interactive art installation by Meow Wolf. Omega Mart is essentially an alternative reality game, where guests attempt to solve the plot using clues, both online and within the supermarket physical setting. The second major tenant, Lost Spirits, is an interactive, immersive show set within a working distillery. The size of an American football field, guests at the attraction wander around mazes, stages and lounges, interacting with cast members and becoming a part of the show.

AND THE SURVEY SAYS...

Among those surveyed, family entertainment centers (FECs) were the most visited in recent years among the different attraction types in retail centres. In looking at more detail, adults that have children out-visited all the attraction types including indoor gardens and artainment, when compared to those that do not have children, in the surveyed group.

The popularity of FECs can be attributed to the varied level of offering and wide appeal, ranging from a KidZania which is geared more towards families with young children to those like Dave and Busters which appeals to friend groups and couples and has elevated levels of food and beverages including alcohol. While not shown in the chart, men and women responded in general alignment, though with men reporting somewhat higher visits to competitive socialising and adventure/action experiences and women reporting higher visits to pop-up experiences and indoor garden attractions.

Visited experiences, last three years

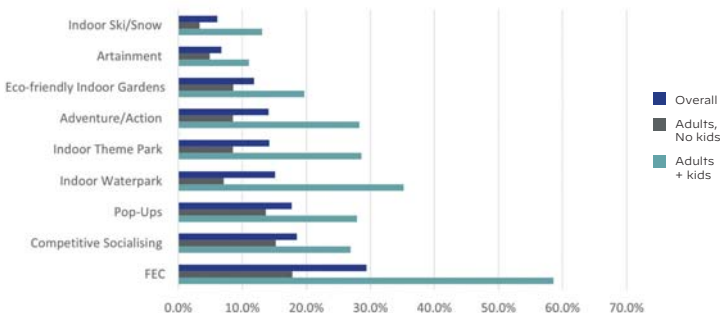


PHOTO: LDD, A DIFFERENT VIEW

Preference for type

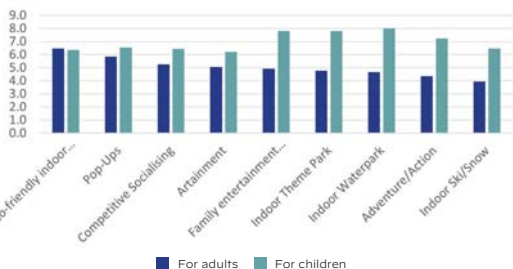


PHOTO: LDP, A DIFFERENT VIEW

- Survey respondents were asked to rate their preference for each attraction type on a 0 (no interest) to 10 (strong interest) scale, both for themselves and for their children (if applicable). Adults alone were most interested in visiting indoor gardens, pop-up experiences and competitive socialising – aligning to the responses on past visited attraction types. Those with children indicated that the more physical or adventurous activities were preferred, including indoor theme and water parks, and adventure/action experiences in addition to FECs.

In thinking of how long they would plan to stay at the different entertainment concepts, indoor theme or water parks and adventure/action concepts have the longest anticipated dwell times, between three and four hours. These are closely followed by FECs, indoor ski/snow and competitive socialising concepts, where survey respondents said they would plan to spend about three hours.

Arrival patterns vary by the type of concept and target market; those targeting families or kids (FEC, indoor theme or water park) tend to have higher percentages of people coming in the morning or early afternoon versus those geared to adults (competitive socialising), which see higher volumes arriving in late afternoon or evening. The survey responses on anticipated arrival times aligned with that established trend.

Entertainment concepts with longer dwell times, which typically offer more types of experiences or rides, dictate higher levels of admission ticket spending, at or higher than £25.00 per person for an adult, as reflected in the anticipated spending data (see chart on opposite page). Across all concepts, survey respondents indicated that they planned to spend an additional £40.00 to £60.00 per party on food and beverage, retail, and photos.



“

New entertainment concepts will continue to evolve and grow

TeamLab transformed
La Grande Halle de la
Villette in Paris

PHOTO: TEAMLAB AU-DELÀ DES LIMITES, 2018

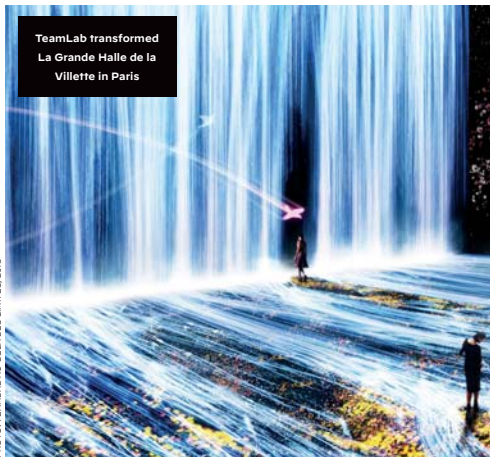




PHOTO: SHUTTERSTOCK/NOI CRANDALL

Anticipated spend

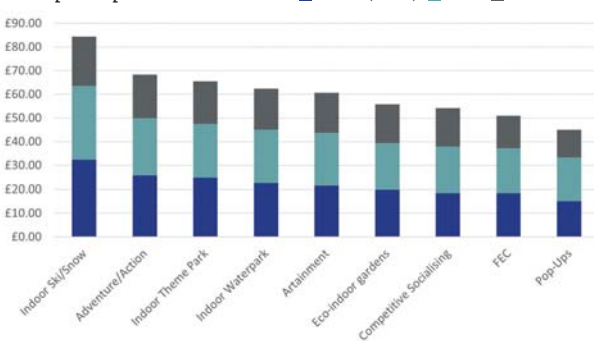


PHOTO: LDP, A DIFFERENT VIEW



WRAP UP

Based on the level of interest from industry clients and developers, tried-and-true and new entertainment concepts will continue to evolve and grow, representing a larger percentage of tenant types in a retail centre or destination in the coming years. LDP expects that well-established operators will rebound from challenges faced during the pandemic and expand into new locations. New concepts should be tested to find ideal markets and locations within existing and new retail destinations. Shopping centre operators will continue to seek out entertainment concepts to drive footfall and increase spending, especially as the online retail industry continues to evolve. ●