

AN AMUSING NOTION FOR NORFOLK'S FUTURE

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Picture your next vacation as it might take place in 2075. In early July, you and your family ride the space elevator to a port terminal 62,000 miles over the equator. There you join nearly 2,000 other budget-conscious tourists on an interstellar cruiser the size of an ocean liner. After a stately embarkation, you sail out through interplanetary space, past the giant storms of Jupiter, close enough to Saturn to walk on its rings, and on into the inky blackness beyond. Just four luxurious days later, you arrive at Alpha Centauri, the star closest to our own sun, tour a small but spectacular system of planets, and get out at...

Er, well, probably at a theme park in Orlando, where the whole journey took place in a few hours of virtual reality. Alas, the smart money in physics is still betting that Einstein was right about not going faster than the speed of light. We will never travel to the stars unless we learn to hibernate and spend centuries en route. $E=mc^2$: It's not just a good idea, it's the law.

Why Not Norfolk?

The fantasy above represents our baseline forecast for the amusement park industry, which Forecasting International recently studied for a major commercial client in that field. It incorporates several major themes in this industry: the continuing popularity of amusement parks as a source of family entertainment, the growing role of high technology in state-of-the-art rides and attractions, and the prominence of Orlando as a center for so-called destination parks such as Disney World, which can be the focus of a substantial vacation all in themselves.

However, Orlando is far from the only place where amusement parks draw visitors. From New Jersey to California, prosperous amusement parks bring vacationers and entertainment-seekers to their communities, provide jobs, and contribute to the local tax base. In Nebraska, though, such attractions are uncommon, if they exist at all. This offers what we believe is a significant opportunity for Norfolk to diversify its economy and improve its future prosperity. Norfolk almost certainly could, and very possibly should, make itself the home of a regional amusement park.

The Opportunity

One of the strongest trends that Forecasting International has tracked in recent years is the growing pressure on family time. Two-earner families by definition are drawn in many different directions, each adult rushing to jobs that usually are miles apart, children shipped off to school and carted to sports and other activities. In the last ten years,

the average worker has been spending more time on the job, and leisure time has shrunk as a result.

People feeling pressed for time are likely to take shorter vacations closer to home. This explains why the average length of trips declined by 17.8 percent in the five years ending mid-2005, a time when most travel-market indicators were up strongly. Amusement parks offer a total break from the routine, guaranteed to release the tensions of a hurried, high-stress life. They can be reached in a day or a weekend. And they offer activities for the whole family. Forecasting International believes that in this environment regional amusement parks offer an increasingly attractive alternative to more time-consuming vacations.

Theme park revenues in the United States are expected to grow by 3.7 percent annually, to \$12.9 billion between 2005 and 2009. At regional theme parks of the sort we envision for Norfolk, revenues will grow from \$7.25 billion in 2005 to \$8.3 billion in 2009. This is slower growth than is predicted for other forms of entertainment, including some occurring outside the home. Yet savvy operators with unique attractions and effective marketing should be able to do considerably better. For Norfolk, located in an area where there is no significant competition, almost any attraction will be effectively unique, and any sound marketing program should be effective.

Like all marketers, a Norfolk amusement park would have to diversify both its marketing and its attractions, with "pitches" calculated to target specific age and ethnic groups. For at least the next decade, Generation X and the Millennials will be the best sales prospects for theme parks. These age groups are most likely to have children to entertain, they have not yet reached their peak earning power so that they can afford more costly activities, and the pressures of job and family make them the least able to take extended vacations. In industry surveys, the Gen Xers and Millennials who, at 53 percent and 57 percent, respectively, report the greatest interest in theme park travel. Baby Boomers (38 percent) and seniors (24 percent) are the poorest prospects. However, both these groups are likely to welcome a Norfolk theme park as a wholesome place to take the grandchildren for a day of family entertainment.

For a community whose economy is so dependent upon agriculture, an amusement park offers an unusually attractive opportunity for diversification. Amusement parks are major employers with a need for both skilled and unskilled workers. A Norfolk theme park would provide jobs for young, well educated college graduates; for high-school dropouts; and for cash-strapped retirees. It also should offer job training that young workers can take to future jobs in later life. Few industries can offer such a varied array of employment opportunities for Norfolk's people.

The Attractions

For almost any amusement park, rides remain the core attraction. Roller coasters, Ferris wheels, and other fast-moving thrills are guaranteed to release the pressured family's pent-up anxieties.

Generation X, and especially the Millennials, are extremely comfortable with technology and increasingly expect the latest techno-wizardry to improve whatever they do. They also are risk takers in their amusements as well as in their entrepreneurial spirit: It was Generation X that invented the notion of "extreme" sports, and the Millennials have continued to push that envelope. These two characteristics will define the next generation of amusement park attractions. Find some useful way to add computerized special effects to Tatsu, the "flying roller coaster" soon to debut at California's Six Flags Magic Mountain, and you might have the perfect ride for Millennials

However, some of the strongest "draws" could be much less dependent on costly technologies, for if Nebraska offers a high quality of life to its families, there are three assets it conspicuously lacks: mountains, lakes, and oceans. Build water slides, artificial surfing, and other entertainments based on height or water, and Norfolk will have an attraction not found anywhere within reasonable driving distance.

In addition, there are other opportunities that Norfolk should consider:

An "old Nebraska" theme based on the region's history seems a natural attraction for an area with a strong sense of its history. A living museum similar to Virginia's Colonial Williamsburg and Jamestown Settlement, but based on the period of Nebraska's settlement, could be of considerable interest, not only to Nebraska residents, but to other vacationers passing through on their way to more exotic locales. If this does not seem the optimum stand-alone attraction for development in Norfolk, it might still form a worthwhile section of a more diversified park.

Attractions based on movie and video-game tie-ins are a natural for family entertainment. Remarkably, so far as we know, no one has yet developed a park based on a Harry Potter theme.

The spread of evangelical Christianity offers an enormous market for almost all manner of products and services. Witness the success of Mel Gibson's "Passion of the Christ," with sales estimated at some \$500 million to date! Thus far, we know of only two Biblical theme parks: The Holy Land Experience, in Orlando; and Sight and Sound, in Lancaster, PA. Both attractions are reported to be doing well.

Forecasting International believes that Norfolk's location, in a region where Christianity is strong, seems to make a Bible-oriented theme park a natural next step for the company.

One feature could be a marriage chapel providing traditional, but brief and relatively economical, ceremonies for devoutly Christian couples and their guests. Many other

areas have found success in the business of matrimony, even without the advantage of a strong religious tie-in. The appropriate model is Hawaii, where marriage chapels provide flowers, a choice of formal wear for the party, and a quick ceremony—some chapels schedule one marriage every six minutes!—followed by a festive meal and other activities for the marriage party. Ancillary products such as videotapes and photographs of each wedding and CDs of the music used are another important profit center for this type of operation.

Another opportunity would be to build a permanent display of cultures from around the world, along the lines originally envisioned for Disney's EPCOT Center. Attractions would be imported from all over the world, changing periodically to keep the experience fresh, and a major opportunity to develop profitable restaurants, food concessions, and craft sales. Dinner theaters also have proved increasingly successful in recent years; in this context, they seem a natural extension of traditional EPCOT-style offerings. An attraction based on exotic cultures would appeal to Baby Boomers, Gen Xers, and Millennials alike; all three generations are habitual seekers of novel, "authentic" experiences and cuisines.

Each of these offers special opportunities and challenges, which will require careful examination before a commitment is made.

However, one common theme must be maintained, no matter which specific attractions are chosen for development. This is a family environment. Any Norfolk theme park should be non-smoking, non-drinking, with video games for the young and picnic tables for parents and grandparents taking their children or grandchildren for a day's outing.

Development Needs

Whatever their theme, amusement parks have one need in common: land. Entertainments such as rides and theme areas tend to spread out over substantial distances, with still more acreage devoted to parking and support services. Given the high premium that agricultural communities place upon land, finding an available site large enough to locate an amusement park could prove to be one of the most challenging problems that must be solved in planning a Norfolk park. To make a potential land sale or donation more appealing, the park site could be named after the former owner of the property. Any analysis of park opportunities in this area should begin with a search for possible sites in and around the city.

Access is another challenge. Amusement parks fare best where there is a well developed highway network to bring visitors to the region. Norfolk is well equipped with roads and rail lines for most purposes. However, development of a theme park would make the need for a new north/south highway even more urgent. This is one need that can be met only with cooperation from the state

and Federal capitols. This may be one more issue in which a well-connected lobbyist could be of help.

Money is another necessity. Developing any theme park requires substantial capital. The cost of high-tech rides in particular can run to many millions of dollars, which may be difficult to find locally. One approach to collecting start-up funds would be to incorporate the park and sell shares to local companies and residents.

Amusement parks are a highly specialized form of entertainment. They require a considerable breadth of knowledge and experience to develop and operate. Cultivating that expertise within the Norfolk community may be difficult.

Both these obstacles—access to investment capital and to industry-specific expertise—might best be overcome by building a partnership between Norfolk and an experienced amusement park developer. Forecasting International is well acquainted with one prominent company in this field. We can provide the necessary introductions if there is an interest in pursuing this idea.

In Sum

Developing an amusement park would be a long-term undertaking. It would require a substantial capital investment and several years of development to produce its first permanent job. However, the development process itself would provide employment for Norfolk residents, and operating the park would create dozens or hundreds of new, long-term job opportunities that could give the community's young people a reason to remain in the area, rather than moving to a larger city with a more diverse economy and a greater selection of employers. It also would bring in substantial revenues from outside the community. This is a unique opportunity.

For these reasons, an amusement park seems likely to repay more than adequately the time and money that must be invested to set it up. At Forecasting International, we believe that this is one option for Norfolk's future that should be studied carefully.