



MUSIC BASED THEME PARK

Team 5 Informal Report (Draft)



TO: Daliborka Crnković

FROM: [REDACTED].

DATE: April 09, 2014

SUBJECT: Music-based Theme Park Informal Report Review

INTRODUCTION

This report is to inform and propose to TRC Inc. for a location and theme for an upcoming attraction to be built in the state of Texas. Our consulting firm ([REDACTED]) created this report to indicate that the city of Austin was the most ideal location in the state of Texas to propose the new theme park TRC Inc. was interested in.

With Austin becoming the fastest-growing city in the United States, and home to some of the world's largest and most famous festivals (South by Southwest, Austin City Limits), the tourism and attraction of this city is key to becoming the next onsite "music theme" theme park.

Music is what draws attention to this city and creates an image that no other can compare. The mottos that have stuck with Austin for many years now, "Keep Austin Weird" and "live music capital of the world," show and give an expression that vibrates off this city, community, and culture.

An example that can play into creating this theme park is the popularity of the Hard Rock Café, Hotel, and Casino. We believe that these next sections: investment and business logic, and location analysis, will contribute to this proposal on deciding TRC Inc.'s next new theme park.

INVESTMENT & BUSINESS LOGIC

After conducting a survey in which there was a question about which city you would find more exciting/entertaining, we got great results. The survey was conducted primarily in the El Paso area, with small samples taken from other parts of the state via social networking. The results were very informative and showed a clear predilection to Austin, El Paso, and Houston. (Relevant survey results can be seen in Appendix 2.a and 2.b)

The idea of a theme park in Texas absolutely gives us a handful of hope. The only major amusement parks in Texas are located in San Antonio and Arlington. Those have been around for quite some time now. Even though these are two great cities with a lot of attractions, including theme parks, we believe local Texans are ready for something new.

A theme park in an area that is rapidly growing and that also has a lot of traffic from travelers as well from people commuting daily seems to have the opportunity to explode a new market. In addition, a vast number of jobs will be generated with this new project. Jobs that are great opportunities for college students for example, of which by the way there are thousands in this area.

Austin is a city where live music seems to be the main attraction. So why not incorporate that into the park? Attract those who come for music festivals, and make them not only want to go to the music festival, but also for thrills and adventure. In fact, why not have a park capable of having big music events during the year?

Even though the main theme of the park will be music, incorporating other unique features of Austin into the park will make this place one of a kind. For example the infamous city motto of “Keep Austin Weird” is something that will be somewhere in the park. Of course the target clientele would be the age group of people 18-25 years of age; however we will not limit our park to only them. We also want to have a market for other age groups. Among the proposed rides for this park are those for people who really like thrills, family oriented rides, water rides, exhibitions, shows, and food courts.

The park location is a magnificent one. The park would be located right in front of Walter E. Frank Metropolitan Park which houses a very nice lake. It is a short distance from the Austin –Bergstrom International Airport, and from plenty hotels. The possibility of offering shuttle services from the airport to the park as well as from select hotel to the park is something that is still under review, and the proximity to the city itself is not far at all. Parking will not be an issue as the park will count with a 150 acre secured parking lot with shuttle routes to minimize the risk of having a pedestrian accident, and for the commodity of our guest. As to the park itself, we are heavily considering on dividing the 300 acre park into areas that will be themed each with a different music genre. Every section will have its own lively environment that will attract that feeling of curiosity and desire for an adventure. In the middle of the park the food courts would be placed along with exhibition booths, and games. This center part of the park should be able to connect certain sections of the park to each other allowing for easy access into and from other areas. Drink stalls and water fountains will be placed throughout the complex, since Austin weather can get a bit harsh for some people in summer time.

This leads us into talking about the weather. This area of Texas is known for its humidity in summer. So it may feel a bit warmer than it really is. However, we do not see that as a problem as we plan on promoting many ways for people to stay hydrated, along with facilities such as shaded areas. Furthermore, the possibility of water rides is always there and even having cooling stations at which clients may enjoy fresh breeze and water spray cooling. Now that that picture is set for what the idea behind this project is let's talk numbers.

LOCATION ANALYSIS

The following section aims to not only show the main locations considered, but the logic behind selection Austin as the main option for this project. Being Texas residents, the team felt more comfortable using this state as the base of our selection, as we have first-hand knowledge of the locations considered. Once the team settled on which state was to be used, it was decided to use a survey to collect data from the community (including but not limited to UTEP students, friends, and family). From the survey results, the team found Austin, El Paso, and Houston to be the most favored cities. As such, the logic analysis presented below will only take those 3 locations into account. After much debating, the team came to the conclusion that a simple PRO/CON list would be the most effective medium to convey the results of our analysis.

Austin, TX.

Appendix 1.a shows monthly average temperature and precipitation values.

PRO:

- The city of Austin presents a great opportunity for this project. As the city already possesses notoriety for being not only the capital of the state, but music capital of the state, and arguably of the south as well. The existing notoriety could prove as very fertile ground for cultivating any sort of music based enterprise/attraction/theme park.
- The unofficial motto of the city “Keep Austin Weird” is one that seems to reverberate well with all the people who live there. The city itself has taken on a

general air of acceptance and willingness to try new things. This is also ideal for this project, as it will be wadding through rather untouched ground.

- The city also has several surrounding suburbs and relatively nearby cities that could help improve the overall attendance and revenue. Along with that factor, the town and surrounding communities have several colleges that will contain plenty of people considered to be the best demographic for this type of project.
- Weather is favorable year round with the exception of an elongated rainy season due to arguably high moisture content. However, the community seems to have grown resilient and is rather unfazed by the showers, which can help when trying to determine the best business practices for the park.
- The city has proven to be able to provide great revenue, even in times of economic hardship as stated in the article *Austin's Weird Festival-Based Economy* [1].

CON:

- The main demographic we're aiming for (18-25), could prove to be hard to work with when it comes to delivering a price for admission that would be considered fair to them while covering all the costs the needed.
- Being a landlocked city makes having a waterfront property overly expensive yet necessary to make certain ideas or venues thrive. However, this might not be an issue up front if the park is designed without water rides.
- Potential for heavy showers could make it difficult to host certain events, especially live air or stage performances, and may demand extra investment into different types of insurance, materials, employees, training, etc.

- The fact that it is a city so heavily invested in music could prove to be difficult as the pool of competitors may be bigger than in any other location.

El Paso, TX.

Appendix 1.b shows monthly average temperature and precipitation values.

PRO:

- El Paso has great potential for business since it is a border town. Revenue, in a sense, can be expected to come from Mexico as well as the United States.
- The city seems to continue expanding rapidly, allowing for more people and businesses to thrive. Brining a high job count business could greatly help the economy of the area.
- Other than Western Playland, there are no other theme parks anywhere near El Paso. Competition would be limited solely to Western Playland, and given the current state of their park, a new theme park shouldn't have an issue entering the market.
- The city is interested in bringing in more revenue through events and tourism as exemplified by the constructions of a new baseball park and team acquisition. This could favor a company attempting to bring a major touristic attraction.

CON:

- The fact that El Paso is a border town is a great asset that could also hurt overall revenue without a warning. The current socio-political and national security status of the country could make it anywhere from hard, or even impossible for people across the border to attend the park. This is a major risk factor that can't be controlled by business owners, and surely a major point of consideration.

- Constant city expansion for housing may also limit the availability of land when it comes to zoning and prime land locations.
- The city government has proven hard to deal with when it comes to land leasing and purchases. Six Flags tried to build a park in El Paso at one point in time, but negotiations were never able to come to a close due to several land cost issues.
- Although El Paso is a relatively big city, many of the major events seem to not come directly to this city. Booking some of the more famous musical talents could prove to be difficult, which could in turn hurt the overall revenue.

Houston, TX.

Although Houston was among the most selected choices in the survey data, the team has decided to overlook this location at the moment. The fact that the city is so close to the gulf is a major selling point, but also the main reason the team has decided not to focus too heavily on this location. Given the recent events of the past few years (oil spill and hurricanes), the team feels as though this location is ultimately too high risk to be of use. The amount of money that would be needed for insurance purposes in case of natural disasters would be much greater than in other locations. This cost would have to be trickled down to the customer, thus making prices higher, which could put off some potential customers. A man made natural disaster, such as the oil spill, could once again make the area unappealing as a touristic attraction thus lowering revenue.

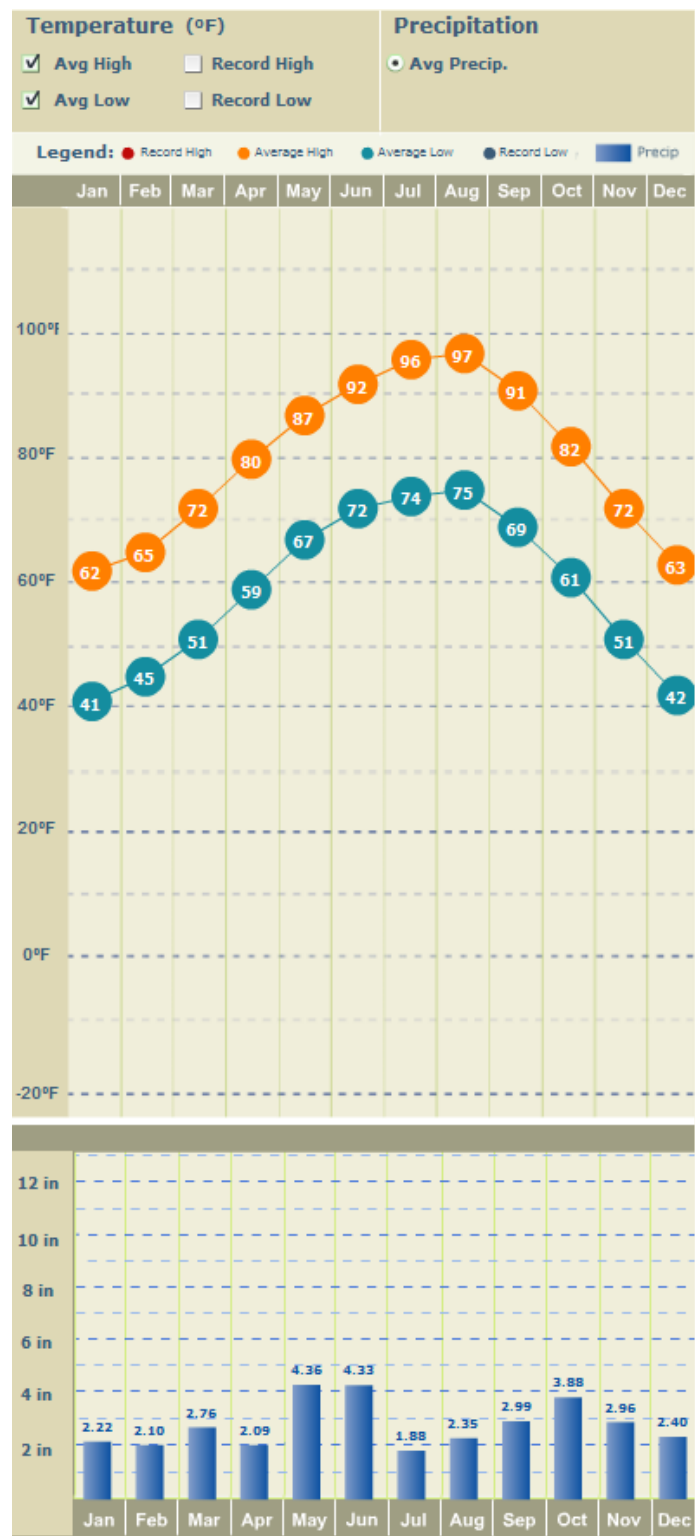
CONCLUSION

We have concluded that given our experience in the state of Texas, along with the rest of the research we have gathered, we believe that Austin would be the best city in the state to construct a theme park. Being one of the fastest growing cities in America and located in the heart of Texas, makes it the perfect location. The fact that it is a major city that does not have anything of the type makes it even more attracting since there is no direct competition. Incorporating local themes like live music and local mottos will give it that distinction by which people will be able to identify. The market is great there since it is surrounded by major cities and many higher education institutions. It would benefit the county by creating jobs for many college students primarily.

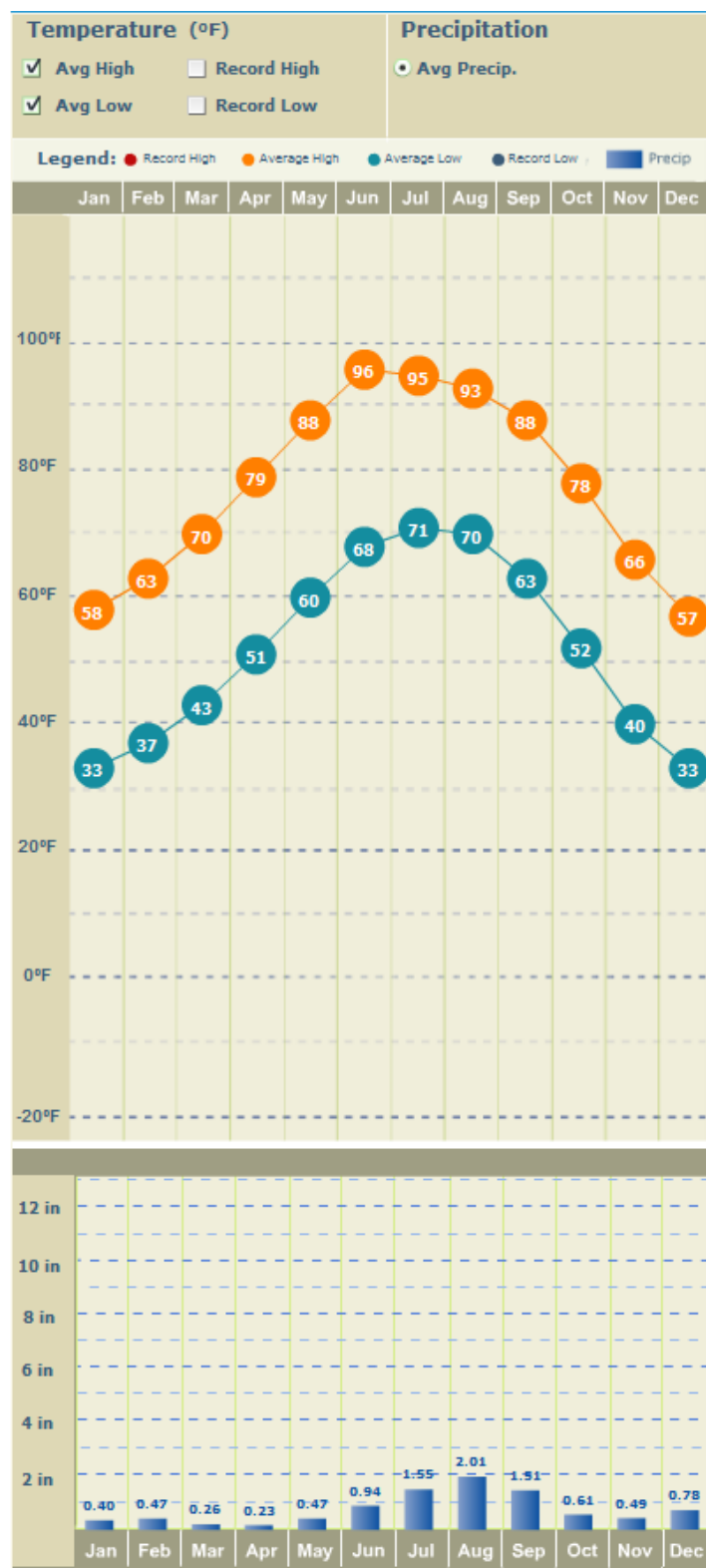
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APPENDIX 1.a



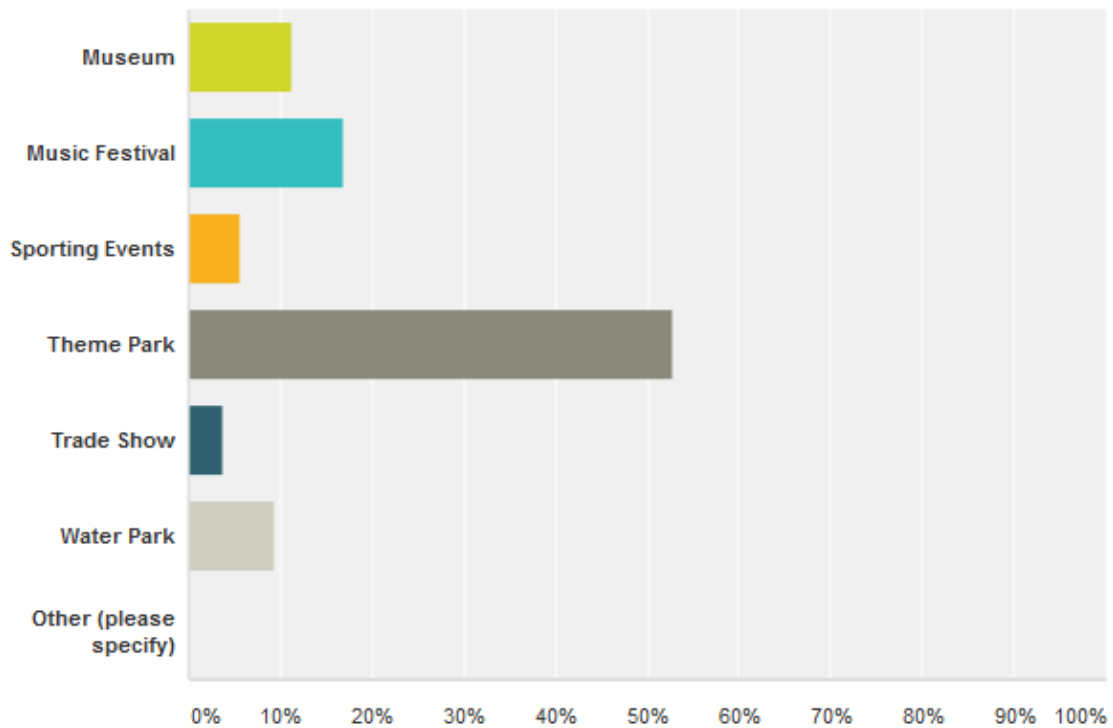
APPENDIX 1.b



APPENDIX 2.a

Which type of attraction/park do you find most entertaining?

Answered: 53 Skipped: 0



APPENDIX 2.b

Which of the following cities do you find most exciting/entertaining?

Answered: 53 Skipped: 0

