The Future of Theme Park and Attraction Industry

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# Introduction

Outdoor amusement parks is a popular segment of the entertainment and recreational industry (Sun & Uysal, n.d.). Theme parks are an outgrowth of fairs and carnivals that began in England in the late 17th century after which it was adopted in the United States whereby it featured moving objects, lights, games of competition and rides (Sun & Uysal, n.d.). Initially, most of the theme parks were in despair as they encountered a myriad of challenges including financial instability and poor public image (Sun & Uysal, n.d.). Despite this, the amusement park industry has been revolutionized, an aspect that has altered its market value by enhancing success thus prompting its growth globally. The paper will review the varying elements of theme parks in the hospitality industry including its dominance in the market, enhancement of tourism, and their competitive factor. Specifically, the paper will provide data and trends in the amusement park industry to highlight the advent of the modern theme parks and their enhancement of tourism globally. The objective of this paper is to explore the amusement park industry and highlight on its strengths, weaknesses, threats, opportunities, and provide recommendations for further growth.

# SWOT Analysis

SWOT analysis is a model used to identify the strengths, weaknesses, threats, and opportunities of a particular organization or sector. Notably, the tool is used for evaluating an organization or industry to facilitate planning as it highlights the different elements that impact the business venture. By considering this, the various threats and weaknesses that affect the organization or industry can be identified from which effective strategies can be adopted to mitigate their impact on the business venture. This section utilizes the SWOT analysis to evaluate the future of the theme park and attraction industry, and its impact on the hospitality and tourism industry.

## **Strengths**

The significant strength of the theme park and attraction industry is its positioning in the hospitality and tourism industry. For decades, the sector has expanded as a well-known attraction venture that provides fantasy to its broad consumer base (Groote, 2010). In this regard, the industry has grown its operation across the world as it has been widely adopted, an aspect that facilitates the growth of the hospitality and tourism industry (Jones & Robinett, 2012). Additionally, this sector offers different forms of attractions and products including rides, game competition, films and moving objects. These features are essential in today’s business environment that is characterized by increased rivalries from other sectors (Groote, 2010). Significantly, the attractions in this industry tend to adjust regarding changes of consumer preferences. With this, their needs are addressed adequately (Jones & Robinett, 2012). Considerably, the industry is controlled by universal parks and resorts such as Disney land that have a reputable brand name globally thus heightening tourist attraction.

## **Weaknesses**

The sector’s main weakness is it has a diverse product portfolio that features different theme parks and attractions thus heightening difficulties in its monitoring and management. Notably, the various key players in the industry such as Disney land have found it difficult to manage their operations (Groote, 2010) adequately. Additionally, the occurrence of accidents in the amusement parks across the world has impacted tourist attraction as consumers are worried about their safety. Significantly, government and local authorities have imposed legal restrictions to avoid future accidents, an aspect that impacts new entrants into the industry. Besides, the industry depends on the popularity of key players and their features. Therefore, this exclusive dependence can be affected by struggles such as increased expenditures.

## **Opportunities**

The external opportunities for the sector include positive government attitude, diverse product portfolio, reduced barriers entry, expansion into foreign markets, and a large group of loyal consumers (Groote, 2010). Government regulations have a negative force to the industry, a practice that is set for change as governments embrace their availability by increasing expenditures on the building of proper infrastructures such as building transport facilities. Reduced barriers to entry will ease new entrants thus expanding the industry. Additionally, the industry can capitalize on foreign markets such as Dubai to expand their operations (Sahoo, 2014).

## **Threats**

The main threats in the industry include saturated markets, increased competitor globally that attempt to offer similar products to the same client segment, and improved competitors offer, whereby new entrants provide clients a diverse product portfolio that is better (Groote, 2010). In this regard, the different theme parks and attractions opening across the world bear the possibility of stealing away each other consumers thus limiting sales that will negatively affect the industry.

# Conclusion

The outdoor amusement parks is a popular segment in the hospitality and tourism industry. Through their subsequent development, the industry is experiencing subsequent growth as it intends to capitalize on the emerging markets globally (Sahoo, 2014). However, the continuous growth of the industry will be influenced by different factors including advertising and marketing campaigns, provision of a diverse product portfolio, and enhancement of guest experiences (Ady, 2010). Additionally, the industry is experiencing external variables that are beyond their control including competitor strategies and government regulations that negatively affect their operations and sales (Ady, 2010). Therefore, the industry must enhance the adoption of constant innovation to build upon the increased competition and the need to provide a safer environment.

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