



# The US: growth in family entertainment

Industry experts let *InterFun* in on the latest trends in North America

With massive brands like Chuck E Cheese and Dave and Busters dominating the landscape, the US provides what is arguably the archetype of the all-encompassing provider of family entertainment.

According to some, however, this is an outdated way of looking at the industry. Randy White, CEO of entertainment consultancy White Hutchinson Leisure and Learning Group, said that this approach to the provision of family entertainment needs revision.

"There are many types of community-leisure venues that are not targeting families for entertainment," he said. "Our company has stopped using the term family entertainment centre, or FEC, as it totally mischaracterizes the industry. We are using community leisure venue, or CLV, as it covers the broader range of today's centres: ones that target children, ones that target adults and ones where socialization and food and drink are at the forefront. The

entertainment is often secondary. It's the adult-focused centres that are combining interactive social forms of entertainment with destination food and drink that are rising to prevalence in the US."

White went on to say that the US market for family entertainment is becoming a much tougher arena to compete in; competition is rising and is doing so in numerous forms.

"Our company's in-depth industry research has found a long-term decline in participation, time spent and spending for just about every type of out-of-home leisure including all forms of entertainment, such as spectator sports and cultural venues, in the US. This decline started back at the turn of the century, before the recession, and is continuing even now after the economic recovery. There are many reasons for this disruption, including all the new forms of digital competition, changing values, a shrinking and spending-squeezed middle class and demographic changes."

White suggested that, to compete with the clout of big-hitters like Main Event, operators must rethink the way in which they provide family entertainment. In particular, he said the US market is seeing a drop-off in the popularity of "venues that fail to offer a high quality, social food and drink experience in a great social atmosphere.

"Today, far more than the past, the competition is the homebody consumer," White said. "in addition to this overall decline in both leaving the home and spending limited discretionary income, there are so many new forms of out-of-home leisure and entertainment experiences competing for consumers' limited leisure time when they do leave the home. So, to attract attendance, community leisure venues have to not only become more focused on targeting a niche market in order to highly please them, but must offer high fidelity, high quality experiences.

"Face-to-face socialization raises the fidelity of any experience. Nothing is more social than sharing food and drink. The other reason food and drink has become the new anchor is that people go out to eat far more often than they go out for other leisure experiences. For example, in the US people only go out to the movie theatre an average of 3.7 times a year. They go out to a restaurant over 200 times a year. Becoming a food and drink destination not only increases attendance but also increases per capita expenditures."

Clearly it is harder to implement successful strategies in this sector than it may initially appear. Not every aspect of the industry is a sure-fire winner but White detailed some

that have remained popular throughout the years.

"There are interactive, social forms of entertainment that have stood the test of time and are evergreen," he said. "They involve a social group of people where one person throws or hits a ball while the others stand around and watch. Think bowling, miniature golf, billiards, regular golf and bocce ball. Laser tag, a group social game, also falls into that evergreen category. The difference today is that they all have to be served up in a highly social atmosphere with great food and drink. Today you need to take the sport out of it and add the food and drink. Just look at the success of the new upscale casual social bowling venues and Top Golf."

Looking to the rest of the year and into 2018, White sees potential in immersive tech. Innovation is key to the continued prosperity of the US' family entertainment industry.

"in terms of the future, I think the market can expect increased at-home and out-of-home non-venue digital competition from VR and AR. We'll also see more traditional entertainment venues up their food and drink game.

"Our industry is going through accelerating disruptive times. Yesterday's formulas no longer work. It's those venues that understand and effectively address the priorities and values of today's and tomorrow's consumer who will win."