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# Improvement of Theme Park Marketing Mode: A Case Study of Theme Parks in Chengdu

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**Abstract** Construction of theme park has been launched since the early 1990s in Chengdu City, but ended up as a losing proposition after its short-term prosperity because of similar scale and similarity with those in other cities. As more international well-known theme parks entering the market, theme parks in Chengdu have been faced with the transition, and novel concepts are also introduced into the operation of these parks. To adapt to the market, it is imperative to make marketing strategies and combine marketing elements. Through analyzing current development of local theme parks and introducing successful marketing modes of domestic and overseas theme parks, a favorable marketing mode for theme parks in Chengdu was defined on the basis of fully exploring Ba – Shu culture (Ba and Shu are two ancient kingdoms in the history of Sichuan). By defining a favorable theme, focusing more on visitors' experience, devoting more in developing new products, adopting flexible price strategies, and integrating advertisement marketing, internet marketing, and other marketing methods, outstanding brands will be formed, and tourism cultures with distinguished features of Chengdu will be created.

**Key words** Theme park, Marketing, Marketing mode, Improvement research

## 1 General introduction of theme park

Theme park originated from the Netherlands, and flourished in the United States. Walt Disney had the first large modern theme park built – Disneyland built in California, and the park opened on July 17, 1955. By combining Disneyland movie scenes and animation and mechanical equipment artfully, the theme was manifested in all games. It swept around the country and even the whole world for the unprecedented experience it brought to visitors. Theme park is a modern tourist destination of a certain theme integrating various entertainment activities, leisure elements and reception facilities on the basis of modern technologies and multi-level activities. It is a kind of creative action mode built for meeting diverse recreational and entertainment needs of visitors. Marketing of theme park refers to a series of activities for selling theme park products by using various means, then establishing a stable customer relationship by creating values for them, later further obtaining the value return from tourists.

## 2 Development of Chengdu theme parks

Since Splendid China was built in Shenzhen and made a hit in 1989, theme park has become very popular across the country. So far, more than 2,500 theme parks have been built, and over 300 billion Yuan has been invested. However, most of the developers focus on only quantity and short-term benefits, as a result, the parks have similar themes, and make profits in a short period. Without brand competition advantages and effective marketing method, theme park industry in China has witnessed the painful process of "massive investment and construction → deficit and failure → loss of astronomical assets".

Chengdu City also witnessed primary development of theme parks in the early 1990s, but the parks resembled those in other cities in terms of scale and theme, so they undoubtedly ended up with enormous losses. For example, West Palace, opened on June 1, 1992, cost 5.5 million Yuan, but went bankruptcy only 3 years later. World Amusement Park completed in 1994 covered a total land area about 46.7 hectare and cost nearly 438 million Yuan, concentrated 108 miniatures of construction sites across the world, and once set a record of 1 million persons/times within one year, but ended up also with failure as the West Palace, and was officially closed in the afternoon of May 5, 2003. National Defense Park, opened on June 1, 1998, focuses more on social significance of patriotism education, and it is impossible to recover the investment.

## 3 Successful cases of theme park marketing

**3.1 Disneyland** Disneyland was officially open in Los Angeles in 1955, and ranks the 5th of the Top 100 World Brands, the 177th of the World Top 500. Its brand value exceeds 60 billion USD, and businesses cover television and film, tourism, internet, clothing, toy industry and so on with a total income above 25 billion USD, and 70% of the total income has been made by Disneyland Park. Such a remarkable success of Disneyland depends on its marketing strategies. (a) In terms of price strategy, Disneyland adopts discriminatory pricing, regional pricing or price adjustment according to product categories, sales period and location; (b) Disneyland pays great attention to the establishment of consumer database, especially against the background of fast – growing information technology, consumers are regarded as independent individuals, concerns, release of personality and personalized demands of consumers are put on the top priority, relationship marketing is greatly enhanced, and market demands created.

(c) Disneyland has more than 4 000 franchised dealers, covering pencil, eraser, bag, or valuable clothing, watch and car. Through the diversified operations, Disneyland has exerted invisible influence on our life and value judgment, attracted numerous visitors constantly. (d) Disneyland made such great achievements for its experiential marketing. It has definite market orientation – making happiness, enjoying dreams; visitors are willing to pay for its considerate services; its dreamy atmosphere makes visitors happy and comfortable.

**3.2 Successful cases in China** Overseas Chinese Town is the originator and also the industry leader of Chinese theme parks, its success depends on the leaping development via integrated marketing. For example, guided by the industrial cluster development, the first theme park cluster was founded, including Happy Valley Shenzhen Phase – II (2002), Happy Valley Shenzhen Phase – I (1998), Window of the World (1994), China Folk Culture Village (1991), Splendid China (1989) and relevant service projects. Guided by the brand strategy, chain operation of Happy Valley has been further developed, constant innovation and subsequent investments have been provided for the expansion and promotion of other brands. Guided by industrial chain strategy, show business, entertainment equipment manufacturing industry and supporting service industry are integrated into a giant entertainment system. Guided by linkage promotion strategy, tourism, real estate, culture, trade and community service projects are integrated to achieve the maximization of group benefits via mutual promotion and group effect, and explore a sustainable development road of "tourism-driven development, culture-based environment, environment-based benefits".

In addition, Guilin Merryland, Xi'an Tang Paradise, Guangzhou Chimelong Theme Park, Hangzhou Songcheng, Yunnan Nationalities Village all adopt the integration of multiple industries such as entertainment, leisure, sightseeing, vacation, real estate, show, animation, film and television, commerce, dining, accommodation and traffic, on the basis of which the accumulative effective, scope effect, synergistic effect, linkage effect and spillover effect reduce the access, construction, transaction cost of projects, enhance the flexibility, motive power, adhesiveness, and risk resistance of industries, and improve the consumption volume can, brand value and group effect.

## 4 Improving marketing mode of Chengdu theme parks

**4.1 Definite theme positioning** Chengdu is a city of leisure and recreation, and a city where ancient civilization and modern civilization meet. Its colorful leisure culture, food culture, drama culture, festival culture, and farm-stay culture co-develop harmoniously and provide rich tourism resources and profound cultural background for leisure tourism development of the city. Theme positioning of the theme park has to meet the "leisure and recreation" features of the locals, fully play the role of "culture" on the basis of enhancing local advantages, and introduce the latest en-

tertainment facilities into Chinese traditions and local cultures, so as to create an entertainment atmosphere with an outstanding theme.

**4.2 Focusing on experience marketing** Experience marketing is to fully consider visitors' needs and bring them pleasant experience, which is also the nature of tourism. Theme park focuses on the participation of visitors, aims at bringing theme educational and recreational experience at higher level, in addition to the basic aesthetic experience and reclusive experience. The three – dimensional experience includes visual, audio and tactual experience, and also "emotional resonance". Experience marketing gives special emphasis to the contact with and participation of consumers, so as to form long-lasting influence in consumers' heart via the value infection and emotional assimilation.

**4.3 Building powerful brands** Major brand strategies include brand positioning, brand name selection, brand ownership, and brand development. To manage a brand and build a powerful brand, first, brand orientation should be popularized among consumers, brand popularity, preference and loyalty should be established, brand promotion activities organized within enterprises to help staff to understand brand commitments, better serve consumers by improving brand passion; second, advertisement, personal experience about the brand, reputation, enterprise website, and other approaches should be fully used to enhance brand experience; finally, enterprises have to review advantages and disadvantages of their brands regularly, so as to prepare for the competition and re-position the brands. Moreover, brand building can be divided as image, transmission, service, management, culture and innovation, among which image needs transmission, service relies on management, culture needs innovation, and all of the six elements are contributions to brand value.

**4.4 Development of new products** Consumers are always fond of the new and tired of the old, so theme park is a sophisticated project that needs reserved land, sustainable construction, and snowballing development, to provide new engineering constructions and update of facilities, new products and services, and plan new events and activities. Disneyland has a famous slogan – never finished Disneyland, and adopts the triangular organization for a long term-eliminating 1/3 of the hard facilities, and adding 1/3 more new concept projects every year.

**4.5 Flexible price strategies** Major profit points of the most successful theme parks lie in entertainment, dining and accommodation facilities, and ticket income is only used for daily maintenance. In the income structure, ticket income only accounts for 20% – 30%, and other incomes account for the largest ratio. The park attracts visitors by improving brand popularity, gains secondary profits by selling souvenirs with intellectual property rights, and selling souvenirs further enhances influence of the brand, such a profit mode has shown strong vitality. So it is necessary to re-plan the profit mode of Chengdu theme parks and figure out the proper transitional road.

Pricing of theme park is flexible according to consumption

level, visitor flow in slack and busy season, and different consumer groups. For example, preferential theme tours can be planned in summer and winter holidays, after entrance examinations; family tickets for holidays and golden weeks; for local visitors, annual ticket is an effective way to increase quantity of visitors and improve income.

**4.6 Advertisement marketing** Advertisement includes television advertising and papery advertising. Developers have to convey new tourism contents to visitors via effective transmission means, improve exposure rate of theme park, enhance visitors' impression about the image of the park; or improve popularity of the park via film and television works, rouse curiosity of potential visitors so as to drive the consumption. For example, as soon as a new theme of Disneyland is invented, advertisement will swallow the world to keep permanent charm of the park in the heart of consumers.

**4.7 Online marketing** There are mainly two means of online marketing: (a) establishing their own websites; (b) advertising on portal websites or putting links on these websites. And these two means are always applied comprehensively. Online marketing should offer rich and fast experience, cultivate a great number of potential visitor sources, attract more attention of visitors, and make the image of theme park be deeply rooted among the people. However, online marketing of Chinese theme parks lags far behind that of famous foreign theme parks, such as Disneyland, and fails to attract sufficient attention of domestic theme parks. The future online marketing should further enrich the content of website, introduce more animation, video, text and multi-media technologies. In terms of function, theme park websites can provide online games or online reservation service, and also collect information.

**4.8 Integrated marketing** Another successful profit mode of theme park is "industrialization of theme park", *i. e.* building industrial chain of theme park, integrating theme tourism, theme real estate, and theme business, breaking the unitary concept of tourism or real estate. Planning of real estate, commerce and park landscapes should be integrated to present a sound human settle-

ment system with harmonious living, entertainment and commercial elements. Moreover, theme park development promotes the development of all related industries such as vacation facilities, travel agency, song and dance, planning and design, animation, online games, and theme products, to fully play the group effect.

5 Conclusion

Chengdu theme parks have entered a transitional period and received new concepts as more international brands are introduced into the market, Oceanarium, Guosetianxiang, Happy Valley, Dreamy Island, Polar Aquarium have distinct characteristics. However, theme park is not mature enough as a leisure industry, it is faced with many challenges, and has to analyze the market trends, and adapt to the market by updating their market orientations, and prepare necessary conditions for making marketing strategies and combining marketing elements. In addition, connotations of Bai – Shu culture should be fully explored, powerful self-owned brands established on the basis of constant innovation, so as to create tourism culture with outstanding local characteristics.

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