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Contributing Editor, Frank Seninsky

A Dozen Main Considerations to Picking the Right Mix of Arcade Games

There are many subtle considerations to take into account simultaneously when picking the right mix of games for an amusement entertainment center or game zone. I have divided games into the four general categories: Redemption (ticket dispensing), Merchandise Dispensing, Video (must have a monitor), and Novelty (a catch-all that includes everything else remaining such as air hockey, photo booth, pinball and kiddie rides). Below are a dozen considerations that come to mind when choosing the right mix of games and placing them properly into a game space:

1.) Define the size of the facility and game space required. The average family entertainment center (FEC) is approximately 15,000 square feet. A good general rule is that smaller FECs need to

target a specific age group as the size determines how many different attractions can be housed. The more attractions, the more age groups can be targeted. The game space required initially depends on average weekly attendance. Design guidelines are 50 square foot/game and revenues of \$200/week/game. A conservative game per capita spending is \$3. Putting all three criteria together would provide an initial starting point of 2,500 square foot for 50 games that must generate \$10,000/week or \$500,000/year. The budget to purchase 50 games is \$6000/game or \$300,000

plus 10 percent for utility items such as token dispensers, ticket centers, a one-month supply of redemption prizes and merchandise dispensing machine prices for a total of \$330,000. Another consideration is to make sure that the percentage of game revenue versus total facility revenue is between 20 percent and 50 percent, quite a large range due to



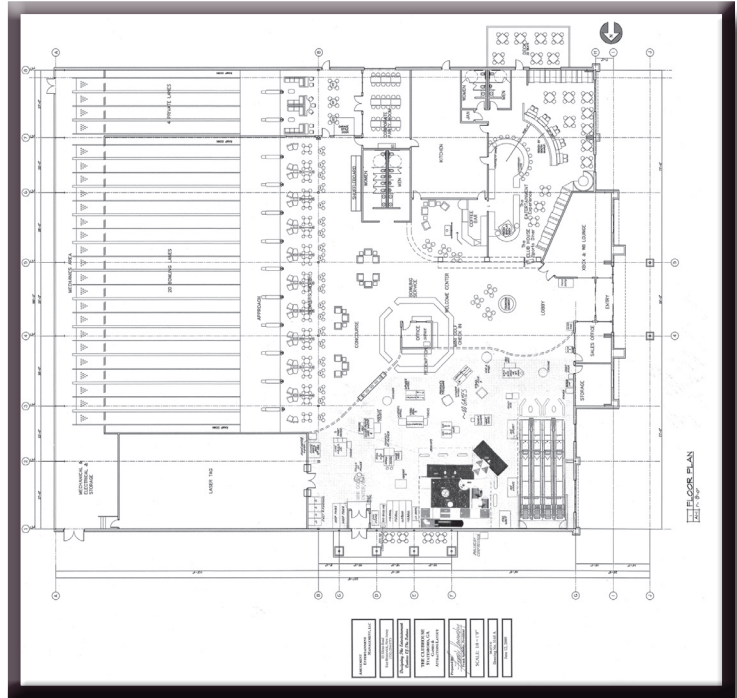
An example of Redemption game layout at Foxwoods Resort & Casino.



the different types of facility styles and number of attractions available.

2.) Define the customer base for the type of facility. There are many games that are “cross-over” games; that means that all ages of people like to play them (Skee-ball for example.) The largest category is redemption; the smallest is currently video. A traditional family entertainment center with 50 games would consider the mix of games to be based on a combination of weekly revenue and number of games to capture the revenue for each category of game. For our example, with 50 games needing to gross \$10,000/week, the percentage breakdown for revenue would be 70 percent redemption (\$7,000), 13 percent merchandise dispensing (\$1,300), 13 percent video (\$1,300) and 4 percent Novelty (\$400). When working with “averages” for revenue, do not be confused to quickly discover that video game average revenue/week/game will be much lower than redemption average revenue/week/game (in many cases the average redemption game will generate five times as much as the average video game) so it will logically take a bit more video games to maintain the 13 percent of revenue than six games when applying a \$200/week/game baseline. A typical 50-game mix would end up to be 30 redemption games, 11 video games, five merchandise dispensing and four novelty for a 50-game mix.

3.) Location of game space within a facility. In my opinion, games are not to be considered an attraction. In other words, people go to a FEC or facility because of what attractions and services are provided. Games play is an impulse. Therefore, the location of the games is a major



AEM's game layout conception for The Clubhouse in Statesboro - architect on record was Dynamic Design.

consideration. The most profitable impulse space is to the right of the main entrance because most people are right-handed and like to look to the right and walk in a counter-clockwise direction.

4.) Ceiling height. Game revenue also depends on ceiling height. The minimum height recommended is 11 feet and as ceiling height increases to 16 feet, like magic, the game revenue increases.

5.) Wall space versus center floor space. The games that make the most money are those that are placed in the center of the floor place rather than lined up against the perimeter walls. There are always exceptions, such as Big Bass Wheel, that due to its height needs to be placed against a wall. Many of the top-earning redemption games always make more money when they are placed in small clusters because the players enjoy watching from the sides as they attempt to time their token rolls, shots, drops, etc. A cluster is defined as one, two, three, or up to four games that are placed back to back so players can walk around them. One multi-player circular game can be a cluster (Cyclone), two games of the same height and width placed back to back are a cluster. Adding a third or fourth game to two games that are back to back is a three-game, or a four-game cluster. Three or four games can also be placed at angles to form a circular-star pattern and would look good if each game was the same height.



Many top-earning redemption games make more money when placed in small clusters.



6.) Token action games make more money when they are located in close proximity to the redemption price center and placed in the center floor space. This is true because players know they can win the largest number of tickets in the least

amount of time with the high ticket payout token action games. When they need more tickets to get the prize they want, they are most likely standing at the redemption price center and the token action games are right there.



Customers must be able to see the redemption prize center from almost every position.

7.) Lines of sight. The heights of games must be considered so as not to block lines of sight from various positions within the facility, especially from the entrance. The customers must be able to see the redemption prize center (RPC) from almost every position. The RPC is the “eye candy” that drives redemption revenues. That is why it is critical to have clusters of low token action games directly in front of the RPC and off to the sides (all in the center floor space.)

8.) Video games to be separated from redemption games. Parents with young children feel most comfortable when they do not have to be near teenagers. It makes sense to place the video games in the back section away from the redemption prize center and the token action games. Teen-

agers will also play redemption games, but teenagers also feel more comfortable when they are in their own section away from little children and old people (anyone over 35 is considered “old” to a teenager.)

9. Throughput. To maximize throughput (maximum number of game plays/hour), a general rule of thumb is to select games with multiple player positions so that the total number of player positions is at least 50 percent greater than the number of games. For example, 50 games should comprise at least 75 player positions. A Cyclone has three player positions. A Skee-ball has one player position. A Pharaoh’s Treasure has four player positions. Guest capacity of a game space is calculated as the total number of player positions, plus 25 percent to include spectators.



10.) Colors of games, game dimensions, bells and whistles. All are considerations when choosing games that work best within a specific game space and specific theme.

11.) Parts availability. Operate only those games that you still can get parts for. Purchase games from manufacturers that have enough sales to insure that they will be in business for the next five years and who do not overproduce games and then have "close out" sales that reduce the value of your game portfolio.

12.) Don't spend too much money buying too many games. Do not waste money on having too many games. Once you

hit critical mass (maximum game revenue/week), adding more games will not add incremental revenue. Note that in our example we are using \$200/week/game as a benchmark. If you have the top earning games and the maximum number of player positions, and adhere to the other 11 considerations, the games are capable of generating \$400-\$600 per week/game, if the traffic is present.

Who says you can't learn to think in 12 dimensions at the same time? The Redemption Report is a great tool to help you choose the right mix of games. E-mail me if you are not a subscriber to this free report.



Frank Seninsky is president of the Alpha-Omega Group of companies, which includes a consulting agency, Amusement Entertainment Management, LLC (AEM), a nationwide revenue sharing equipment provider, Alpha-Omega Amusements, Inc., Alpha-BET Entertainment, and Alpha-Omega Sales, a game & related equipment distributor. All are headquartered in East Brunswick, New Jersey. During his 43 years in the leisure entertainment industry, Seninsky has presented nearly 350 seminars and penned more than 1500 articles. He has served as president of the Amusement and Music Operators Association (AMOA) from 1990-2000 (on the Board of Directors for 22 years) and as the President of the International Association for the Leisure & Entertainment Industry (IALEI) from 2005-2006 (Founding Member and on the Board of Directors for 11 years).

His columns regularly appear in Tourist Attractions & Parks, RePlay, Vending Times, and Bowling Center Management. Frank is co-regent for Foundations Entertainment University, that presents multiple-day sessions in the US and in growing markets including Russia, Ukraine, Dubai, UK, and potentially Asia, India, and Africa as well. His world famous 'The Redemption & FEC Report' e-newsletter goes out to more than 35,000 readers and has over 60 advertising sponsors. Alpha-Omega Sales has recently been appointed the exclusive USA distributor of Comfyland, the interactive-educational solution for toddlers. He was just appointed to the National Association of Family Entertainment Centers Advisory Board.

Contact information: Phone (732) 254-3773, Fax (732) 254-6223

e-mail: fseninsky@aol.com Website: www.AEMLLC.com, www.comfylandusa.com

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12 Elkins Road, East Brunswick, NJ 08816
Contact Frank Seninsky or Jerry Merola at (732) 254-3773, e-mail us at
Fseninsky@aol.com, Profitwizz@aol.com, or visit our website at AEMLLC.com



Comfyland Experience



**Frank Seninsky, President / CEO
Alpha-Omega Sales, Inc.
Official Comfyland U.S. Distributor
12 Elkins Road
East Brunswick, NJ 08816
(732) 254-3773 - Phone
(732) 245-6223 - Fax
fseinsky@aol.com
www.comfylandusa.com**