OnLine Case 15.1
Blackpool Pleasure Beach

Started in 1896, when William Bean brought the idea of a Theme Park to the UK from the US, Blackpool Pleasure Beach (BPB) remains one of the UK's leading tourist attractions. CEO Amanda Thompson is the fourth generation of her family to be in charge – the Thompson's are descended from William Bean.

Amanda Thomson was catapulted into her role rather unexpectedly. Her father, who was running the business, collapsed and died at her wedding in 2004. He was 64 and had been in charge for 28 years; he was known locally as 'Mr Blackpool'. Her 101 years old grandmother – who was still active and Chairman of the Board – died just two weeks later. Amanda Thompson has support in the business from her younger brother, sister and mother.

She inherited 145 rides spread across 42 acres at the south end of Blackpool's so-called Golden Mile. The town is also well-known for Blackpool Tower and for its annual illuminations which attract visitors in huge numbers every autumn. In reality though, Blackpool is not the resort attraction it once was. Fewer visitors come every year and some hotels and attractions are in need of serious investment. That said, with 6 million visitors each year Blackpool Pleasure Beach is second only to EuroDisney in Europe when it comes to visitor numbers. In the UK the leading competitors include Tussauds, which operates Alton Towers and Thorpe Park as well as the unique Madame Tussauds (wax models) in London. Blackpool was one of the bidders for the license to open the UK's first Super Casino and expected by many to win; the town claimed its future depended in no small part on winning. Blackpool did seem like a logical choice in many ways – but Manchester was chosen. In the event the UK government changed its mind and put the idea of a Super Casino on hold.

When she took over Amanda Thompson inherited a company in debt. In recent years it had been trading at a loss. Growing insurance costs had not helped! The company had sold a theme park it owned in America and closed one in Morecambe, some miles to the north. A third park in Southport, further to the south on the same coast, was also losing money.

In the past revenues had typically been influenced by new, bigger rides opening every few years. BPB had opened its Pepsi Max Big One (roller coaster) in 1994 at a cost of £12 million, which at the time equated to one third of its annual revenues. The Big One was the tallest and fastest roller coaster in Europe. A year later a new hospitality and cabaret venue opened. In 2000 Valhalla (water ride), which was even more expensive that The Big One, was opened by TV personality Jonathan Ross. Whilst there is a short-term revenue impact from a new ride, the real issue is that people who are looking for fresh thrills can always find something newer and bigger opening somewhere. Any early impact can be quickly lost. Moreover, BPB was not a year-round attraction, closing for four months of every year once the illuminations are over. Interestingly BPB's last new ride was Bling, which cost £2 million, and which lifts people into the air in gondolas before spinning them around at high speed. This was also in 2004.

Amanda Thompson was clear that strategic changes were going to be essential and listed the following possibilities:

- To refocus as an Amusement Park rather than a Theme Park, and attracting mainly local, repeat visitors. There would be less emphasis on 'the biggest and the best'.

- Experiment with free entry to the park, and instead earn money from each ride and attraction. This has not been sustained.

- Open on weekends through the winter.

- Improve the number and quality of stage shows, such as ice shows and cabaret.

- Boost their own local hotel capacity as an adjunct revenue earner.

- Investigate the potential for a casino. BPB's move in this direction was to be slowed down by changing government policies and priorities.

Question Do you believe this level and type of change will be enough to restore the fortunes of Blackpool Pleasure Beach? Is something much more drastic required?