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## Opportunity in a Maturing Market

### DEAL Show in Dubai Offered Fresh Insights Into a New Global Niche

By **FRANK SENINSKY**

**T**here is opportunity in just about any market, even one that looks on the outside to be on the wane. The April 26-28 DEAL Dubai show, short for Dubai Entertainment and Leisure Show, was a real eye opener for me.

I may wish that I had gotten in on the ground floor of the decade-long boom there, but even as development has slowed down dramatically, there is still a need for a consulting firm like ours to help existing entertainment operators maximize their earnings and operate more efficiently now that the engine of easy credit has run out of gas.

Looking around Dubai, many of the tourist city's massive construction projects have ground to a halt, and it is reported that 300,000 workers and managers have left the country, many fearing that nation's criminal prohibition against defaulting on debt or the potential of losing one's exit papers if one is unemployed. Fortunately, the United Arab Emirates has recently pledged to complete many of the larger construction pro-

jects currently underway, including a few entertainment facilities.

The good news, based on the conversations we had, is

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that Turkey, Saudi Arabia and India remain big growth markets. Overall, the show was very beneficial for those who exhibited and the serious attendees who came to buy.

Dubai is a fascinating city, even in a temporary holding pattern and potential decline scenario. It's a play land for the super rich in Europe. It's a Las Vegas for the Middle East. The statistics show that Dubai has more than 10 million visitors each year. When I looked

further into this figure, I discovered that a more accurate picture is 2 million people each visiting an average of five times per year, so "vacation



home experience, eat and shop-shop-shop. For instance, there is Ski Dubai (developed and operated by Majid Al Futtaim Leisure) inside the Emirates Mall. It's literally an indoor ski resort with man-made snow, lifts, trails and snowball fights. This attraction is also a part of the Xanadu at the New Jersey Meadowlands. It was also my honor to meet Victor Arca, director of Thinkwell Arabia, who designed Ski Dubai (Victor also attended my seminar presentation).

A second example is the fantastic three-level aquarium at the Dubai Mall. I also visited Magic Planet at the Emirates Mall, which is a full family entertainment center owned and operated by Majid Al Futtaim Leisure. A Magic Planet is also nearing completion at the Dubai Mall.

The current global economic crisis has slowed business in Dubai considerably. Yet there is still opportunity for those who step back and study the landscape. As I said earlier, if you can't expand through rapid exuberant growth funded by cheap and available credit, then you have to do it the old-fashioned way,

land" is what Dubai really is. However, it is also the reported goal of the U.A.E. to make Dubai the business capital of the Middle East.

The city is built around tourism and excess, and the landscape is studded with shopping malls, some of which are designed with a large family entertainment attraction at its hub. The attraction is there for all to view from the outside. Families visit the malls in the evenings to have an out-of-



On his recent visit to Dubai, Frank checked out many of the tourist destination's high-end entertainment facilities including the **Wild Wadi Waterpark**. Not surprisingly, the global economic crisis has slowed business in Dubai, but Frank still sees opportunity as evidenced by the Dubai Entertainment and Leisure Show.

earning each sale and generating consistent value.

DEAL Dubai played host to a handful of major international game distributors, including United Distributing Company, Warehouse of Games and Amusement Services International, as well as a number of OEM suppliers recognizable to U.S. trade members, including debit card/POS suppliers Embed, Intercard, Sacoa, Coin-Tech and Gateway and game suppliers ICE, JVL, Prime Play, QubicaAMF, Brunswick, Comfyland, Whitewater West, LAI, Proslide, S&S Worldwide, Triotech, Water Technology and Zamperla to name but a few.

The show is looking to grow its seminar component, and that's why I was invited to attend as a speaker (topic: "Amusement Games: Their Impact on Childhood Development"), along with my fellow *RePlay* columnist Beth Standlee of Trainertainment ("Necessity, Value and Importance of Quality Staff Training"). The seminar program was put together by Gerry Robinson of the Amusement industry Council of Europe and also included

speakers Craig Hart, VP MAF; David Camp, director of ERA, London consultants; Bart Dohmen, managing director of BRC Imagination Arts Europe & Middle East; Claus Friemand, GM of Profun Abu Dhabi; and Simon Langdon, director of Cedarthree Ltd., crisis management specialist.

Overall, it was a great show with little in the way of distractions. Everybody was a serious buyer there to check out new products and learn as much about the business as humanly possible.

Looking around, I couldn't help but think about the economic challenges back in the U.S. Interestingly, we have become more like the rest of the world. We have long been used to borrowing and spending and generating a lot of illusory growth that most countries have never experienced.

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doing for dozens of centuries.

Both at home and abroad, operators are looking to maximize their assets and grow their business in a reasonable manner. In Dubai, they wouldn't have cared before about learning the finer operating efficiencies and discount marketing value packages because they had so much money, and they were making so much money that it didn't matter, but now it matters. The playing field of the world is definitely leveling off. In a global economy that is struggling across the globe, we have more in common than ever before.

And that is where recognizing opportunity comes to the forefront. Dubai does not have stand-alone leisure entertainment with the exception of Wild Wadi Waterpark. The leisure entertainment is located in the malls or in the major hotel resort complexes. Leisure entertainment is used as an attraction for retail and food. Here in the U.S. this concept is present but not to the degree as in Dubai.

The FEC concept in the U.S. has matured and is now

positioned to be the draw for all leisure entertainment. Those FECs can capitalize on this by realizing that they are also in the food and retail business and that these segments of their business can be increased. Bowling is leading the way by adding a full restaurant component to the new ground-ups. Hotels, casinos, resorts and downtowns are adding FEC components to enhance their guest experience. And for most

parts of the world, they are just starting to learn about how powerful the FEC component is. Yes, there is plenty of opportunity out there for our maturing industry to find its new niche and grow! ♦

*Frank Seninsky is president of Alpha-Omega Group of companies, which includes a consulting agency, Amusement Entertainment Management (AEM), and a nationwide revenue sharing equipment provider, Alpha-BET Entertainment; all are headquartered in East Brunswick, New Jersey. During his 37 years in coin-op, Seninsky has presented nearly 250 seminars and penned more than 1,000 articles. He has served as president of the Amusement and Music Operators Association from 1999-2000, is a past chairman of the International Association for the Leisure & Entertainment Industry and sits on the AMOA and IALEI boards of directors. Seninsky can be reached at 732/254-3773 or by email at fseninsky@aol.com and www.AEMLLC.com.*