

Theme Parks as Flagship Attractions  
in  
Peripheral Areas

by

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## Preface

The Research Centre of Bornholm has established a five-year (1995-99) research programme labelled *Tourism in Peripheral Areas of Europe*. Tourist attractions are fundamental to the existence of tourism, and studies that shed light on the role and importance of tourist attractions find their inevitable place within this research programme.

Major attractions are often labelled *flagship attractions*, referring to their role as focal points and as catalysts for tourism development in a region or a tourism destination. Establishment of new attractions – particularly potential flagships - has in many countries been considered as a tool for economic development in peripheral areas. Considerable public funding has been made available, often without sufficient background knowledge on potential visitor markets and how attractions function (individually and collectively) within the tourism context.

Such knowledge is essential in any assessment of the tourism development potential of an area, and in any assessment of public financial support for a particular attraction. The various types of evaluation, feasibility studies or other analyses require firstly a theoretical understanding of the mechanisms that influence the market demand and the local and regional effects. Secondly, they require specific knowledge and experience from studies of particular attractions.

This study focuses on the theme park sector. Although theme parks are usually found in densely populated areas, some parks are also found in peripheral areas. On the European theme park scene there are for instance several parks in the Scandinavian countries that may be classified as peripheral. Data from previous studies on four Norwegian theme parks, undertaken by the author and colleagues at the Institute of Transport Economics in Oslo, have been utilised in this report. These parks constitute the study's flagship attraction cases.

The study will hopefully contribute to the understanding of some of the essential questions related to theme parks as flagships in peripheral areas, and to the general evaluation of flagship attractions.

The project was carried out during the author's engagement as a guest researcher at the Research Centre of Bornholm and was finished at the Institute of Transport Economics in Oslo, where he currently holds the position of senior research economist.

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Svend Lundtorp  
Chief of Research  
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# 1. Introduction

## 1.1 Background

Several tourist destinations owe their position and level of development to the existence of one major attraction that has a uniqueness and appeal otherwise not present in the area. This may particularly be the case in rural (or peripheral) tourism; whereas in more urbanised areas, destinations often comprise a variety of attractions (clusters). Clusters may also appear at regional, national or international levels. In attraction clusters one particular attraction may be outstanding or dominant, constituting the top of a hierarchy of different tourist sites.

The label «flagship attraction» may be attached to single major attractions as well as to particular attractions within attraction clusters. In destination development, such attractions can be considered as core tourism assets or resources, providing the initial basis for tourism along with human and economic resources, and securing economic benefits in terms of business receipts (that in turn generate income and employment) for the area. The attraction may be a highly commercial tourism enterprise, e. g. a major theme or leisure park, or it may be a natural, historic or cultural site not directly commercially exploitable itself, e.g. a national park or a public monument. Alongside the impacts of revenues from the attraction, the flows of tourists arriving to experience the attraction represent business opportunities within and outside tourism that may give considerable additional benefits to the area.

In several countries (for instance the UK, Denmark and Norway), considerable public funding has been made available for development of attractions in rural areas, basically to stimulate the local economy, but in many cases also combined with intentions of securing care of heritage sites or activities. The force behind tourism establishments in rural areas is very often the alliance of *local private entrepreneurs* and *local politicians*, combined with the *availability of public funding*. This type of alliance represent a mixture of investment incentives (profits, job creation, cultural interest, local identity, etc.), that often leads to establishment of projects that are not economically viable. This is often the result of to over-estimation of visitor numbers (and consequently smaller revenues than expected), and of excess investment in a region. Sometimes over-investments may be observed as a result of the *me too* phenomenon - almost identical attractions competing in markets too small for more than one attraction of its kind.

Unfortunate investments are quite often the result of too little attention paid to how different types of attractions are functioning in relation to markets and within the tourism industry context. In this respect, a thorough evaluation of tourist attraction projects requires a profound understanding of both the product itself and its context. Besides the quality and scale of the product, external issues like markets, the characteristics of the destination and its tourism industry are clearly influencing the viability of attractions and

their local and regional economic impacts.

To approach an understanding of the phenomenon of attractions and their functional and spatial characteristics, studies of theoretical issues as well as specific knowledge extracted from studies of particular attraction cases are required. This is the background for this study, which focuses on the type of attractions that - according to their relative importance - are labelled *flagship attractions*.

The main reason for focusing on flagship attractions is primarily their importance as cornerstone enterprises and as a foundation for tourism development in peripheral areas. In this respect, an interesting aspect is the local or regional tourism industry dependency on one dominant attraction.

Another important reason is of course that markets and economic impact issues may be identified more distinctly at an attraction with a dominant position. At minor attractions or attraction clusters impacts may be less traceable, and a general understanding of attractions may be more difficult to obtain because of more *disturbance* in terms of causal complexity.

Theme parks constitute an important group of new man-made attractions in the field of international tourism. They are usually (and more-or-less by definition) large attractions, that often appear as flagships in their region or local area. Within the great variety of attractions - in almost any category of attractions there are examples of flagships - theme parks constitute a relatively homogeneous class of places to visit. Although there may be considerable conceptual differences from one park to another, their major attractive elements are appealing to basically the same kind of needs and demands for entertainment, experiences and playing activities. Their market targets are quite broad in terms of visitor characteristics, but at the same time possible to identify - namely as the *family* segment.

The international tourism scene suggests that larger theme parks are usually located near big population centres. Understandably, peripherally located parks have to base their incomes more on tourism to compensate for the absence of sufficient local markets. They face less competition from other attractions than parks in more urbanised areas do. For these reasons, they more frequently appear as flagship attractions in their local area.

This is particularly the case in Scandinavia, where a number of the major amusement or theme parks are in fact located some distance away from the few densely populated areas to be found in these countries. Although located within driving distance from population centres, these parks are established in areas that may accurately be described as peripheral. Examples of such Scandinavian major theme parks are Fårup Sommerland and Djurs Sommerland in Denmark, Skara Sommarland in Sweden and Hunderfossen Familiepark, Kristiansand Dyrepark and Telemark Sommarland in Norway.

The latter three parks constitute the cases to be presented and examined in this study,

together with the TusenFryd park, which is located in the more urbanised Oslo area.

## **1.2 Study Objectives, Approach and Contents**

The general objective of the study is to systemise, and hopefully extend, knowledge on how theme parks function as tourist attractions. In particular, the objective is to assess the potential and limitations of theme parks as tourism development catalysts in peripheral areas.

More specifically, the study will examine:

1. Essential characteristics of the markets for and the visitors to theme parks.  
The main features focused on here are to the degree to which peripheral theme parks attract excursionists, short break trip visitors and holiday trip visitors, and the size of catchment areas (or influence zones) that may be observed in each market.
2. The regional and local economic benefits occurring from a flagship attraction.  
Here the main problems to be discussed are how the economic impacts occur (and may be estimated) and how they are influenced by the spatial and functional contexts in which the attraction appears. The contexts in question refer primarily to characteristics of the visitor markets, the host area and the tourism industry in the park region.

The overall approach chosen to meet the study objectives is to discuss the theme park phenomenon on two levels:

1. A general level which includes a theoretical background for understanding attractions in general and a framework in which various aspects of attractions and their impacts may be discussed.
2. An empirical level, which includes an overview of the theme park scene in Europe and case studies on Norwegian theme parks focusing on park concepts, markets and local economic impacts.

The essence of this approach is to combine general knowledge on attractions with specific knowledge of theme parks in peripheral areas. The conclusions and findings from the discussion on general issues primarily constitute a contextual framework in which the case studies are rooted. Some of the basic findings, for instance the basic elements of the principal model, are applied in the case studies to estimate impacts and to explain how they occur. However, both the general approach and the case studies may also be seen as (partly) independent contributions to the understanding of theme parks as flagship attractions. Besides being founded on the theoretical platform of the general approach, the case studies are the empirical illustrations that complement this approach. They represent the extension that takes the theme park phenomenon into the field of peripheral area tourism.

The first part of the study (chapters 2 and 3) is concentrated on general issues and the establishment of a theoretical platform. This presentation is primarily based on an exploratory study of relevant literature.

Chapter 2 comprises a largely analytical discussion of attraction typologies and perspectives, particularly emphasising the organisational perspective approach for the identification of various spatial and functional issues. This chapter also contains a discussion of attraction hierarchies and possible perceptions of the *flagship* metaphor.

In chapter 3 a basic model for approaching the various conceptual and contextual influences on economic impacts is introduced, together with a simple framework for estimation of impacts. This theoretical framework discusses for instance:

- identification of essential terms and variables;
- interrelations and causalities (which variables are influencing which and in what way);
- methodological approaches for identification of economic impact elements of particular attractions;
- methodological problems in research design, data collection and analysis.

It should be made clear here that impacts are primarily discussed in terms of visitor expenditures attributable to an attraction. The study focuses on factors that are determining and influencing these expenditure volumes, and the distribution of them on on-site purchases (inside park) and off-site purchases (expenditures in other tourism industries and other business in the area). Secondary and induced impacts and particular impact elements like job creation, income multipliers, etc. are only discussed indirectly. These elements may be considered as being part of the general impact problems in applied economics, and as such they are not matters that particularly concern flagships or theme parks. As pointed out, a major objective is to study possible relations between *the nature and volume of visitor expenditures*, and *certain characteristics linked to the attraction*, including attraction concept, markets and other spatial and functional contexts.

In the second part of the study (chapter 4) an overview of theme parks is presented. Definitions and concepts of theme parks are discussed within a general attraction typology, and various market criteria concerning viability are presented. Danish and Norwegian theme parks are compared with European theme parks. The comparison focuses on visitor numbers and markets, discussing also the particular market issues of peripheral parks.

In the third part (chapters 5, 6 and 7) four case studies based on visitor surveys undertaken in 1995 in the four theme parks in Norway are presented. There are two reasons for using these cases. Firstly, the survey material was already available at low cost, which was a necessity in this study. Secondly, the material contains data that provide a very appropriate background for the analytic study presented here.

The main purpose of the case studies is to describe and analyse parks and their impacts in light of visitor structures, attraction characteristics and spatial and functional contexts. However, the case studies also represent sources of experience and knowledge that provide

useful input to the general analysis framework, for instance, to exemplify characteristics and contexts of flagship attractions and to support identification of methodological problems and options in economic impact studies, particularly with respect to visitor additionality and visitor displacement estimates. This support effect concerns identification of variables and revealing of pitfalls in data collection and possible constraints regarding the use of visitor interviews in impact studies.

In chapter 5 an overview of the parks and their position on the Norwegian attraction scene is presented. The chapter gives a description of the parks and their concepts and of the local areas (*host areas*) where the parks are situated.

Chapter 6 focuses on the markets of the Norwegian theme parks. The emphasis is on market segmentation by type of trip – excursionists, short break travellers and holiday travellers – and by driving distances. The geographical outreach of these various markets, respectively, is considered the most important issue. Hence figures on visitor numbers are seen in relation to population figures and driving distance between park and residence, and also between park and accommodation site. Some comments on the parks' competitive situation in the domestic and the international theme park markets are also made.

A brief view of the tourism industry in the host areas is presented in chapter 7, describing the accommodation structures and capacities as well as the existence of other attractions in the host areas.

In chapter 8 the basic principles of the impact estimation framework are applied to the case studies. Some major results of the case studies are presented and discussed in light of the estimation framework.



## 2. Attraction Theories: Concepts and Contextual Features

### 2.1 General Attraction Study Perspectives

- Attractions constitute a rather heterogeneous group of subjects. They obviously appear in various forms and various contexts, each of which may influence their role and importance in different ways. To approach an understanding of the role of attractions in the conglomerate of different economic activities that is labelled as the *tourism industry*, it is necessary to identify the relevant types of characteristics and contexts. This implies that attractions are studied from both an ideographic and an organisational perspective:<sup>1</sup>
- The identification of attraction characteristics (concepts) implies a discussion of some essential ideographic features. The identification of contexts that influence economic impacts implies an investigation based on elements of the organisational typology, which emphasises the spatial and functional features of the attraction.

#### 2.1.1 Attraction concepts: the ideographic perspective

A suitable ideographic typology is usually necessary to handle the variety of attraction concepts, for instance to identify the various types and organise them into operational categories. In *particular attraction impact studies* it is needed to reveal the influence of the attraction concept on tourists' expenditures in the area. The concept obviously affects the expenditures by influencing the visitor's length of stay, and also by the types of visitors it is attracting. Different market segments may show considerably different expenditure patterns.

A basic classification could in this respect be produced by considering the elements of participation (passive or active), duration of *consumption* period (short or lengthy use of attraction) and attraction permanency:

1. Particular objects and places *to see*.  
These can be grouped as *cultural* features (monuments, museums, historic or sacred laces, etc.) and *natural* features (spectacular scenery, viewpoints, nature parks, landmarks like North Cape, Niagara Falls, etc.).
2. Activity and recreation attractions.
  - A. Different types of leisure parks, sports facilities, heritage centres, large shopping malls, etc. that offer activities and amusements which usually require at least a

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<sup>1</sup> Lew, 1987.

day's visit and a maximum of a couple of days.

- B. Recreation sites (ski resorts, beach resorts, gambling and entertainment resorts, holiday camps, spas, etc.) where the product is a collection of experiences during a vacation period rather than specific attractions requiring a short stay visit only.
3. Events.  
These include festivals, sports arrangements, temporary natural phenomena, etc.

Flagship attractions may be found in each category except category 2 B. Generally, the ideographic classification may be further developed to include various levels of sub-groups of concepts to match most attractions.

The cases used in this study are theme parks. According to the previous list, these should be categorised as activity and recreation attractions (2 A). A further description of the specific concept of each park is presented later in the study.

### **2.1.2 Attraction contexts: the organisational perspective**

The organisational typology *is a different research approach which does not necessarily examine the attractions themselves, but rather focuses on their spatial, capacity and temporal nature.*<sup>2</sup>

The nature of impact studies necessarily requires that an organisational perspective is applied, simply because there are essential external elements that influence the economic impacts of an attraction. Such external factors may be identified and investigated by categorising the attraction environment into a host area context, a tourism industry context and a market context.

Firstly, there has to be a certain defined area or a particular destination for which the attraction is considered a flagship, and for which benefits are measured. Neither the flagship term nor the benefit analysis makes sense unless a *host area* is specified. Initially, the host area context comprises the geographical outreach of the study area. Besides describing an area by its actual size, frequently used categories are local area (community), region, province or country. The context further comprises area characteristics like degree of urbanisation, situation (central or remote area), level of supply of goods and services other than tourism, access from other areas and general infrastructure features.

The importance of the tourism industry context is postulated by Wanhill,<sup>3</sup> among others, emphasising the tourist trip as a mix of various components supplied by a variety of organisations and that destination success is a matter of delivering the right mix of components. This refers to the attraction power of the destination product. However, characteristics of the supply side clearly also influence the expenditures of those visiting

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2 Lew, 1987.

3 Wanhill, 1996b, p. 15.

the destination. The issues or variables of the tourism industry context believed to be the most important are:

1. The degree of tourism development in the area, the quality and variety (or mix) of products and the location of enterprises in relation to the attraction. Variables include: (I) scale measures including accommodation capacity by type of accommodation, numbers of guestnights, day visitors, etc. (II) Capacity and variety in the area catering industry. (III) Types of other attractions and their visitor numbers. (IV) The strength of destination or regional tourism marketing organisations.
2. The system of attractions in the area. This would include a description of how the hierarchy (if there are other attractions) functions, emphasising the presence of any *supporting* attractions and synergy effects thereof and the presence of competing attractions. This is particularly important with respect to assessment of the number of visitors attributable to the attraction.
3. The levels of price and quality of the various tourism product elements.
4. The seasonality of tourism in the area - the length of the season for the tourism product (which in turn may be affected by climate and holiday periods).
5. The competitive and complementary relations with attractions and other tourism products in other areas – both neighbouring and more distant regions.

The organisational perspective approach also includes a market context that comprises assessment of the geographical market areas outreach and number of residents. The so-called catchment areas may be categorised in relation to local, regional, domestic or international attraction, and are primarily described by distribution of residents by travel distance. The market context also comprises the number of tourists on holiday within day trip distance from the attraction, and the existence of access points (for instance ferry terminals) and numbers of transit or round trip tourists passing such points. Mobility and access are two keywords.

The tourism research literature provides several examples of *tourist typologies*. Some typologies that are very relevant to focus expenditure features are related to *type of trip* to the area. Firstly, a distinction must be made between staying visitors and day visitors, the former having considerably larger expenditures in the area than the latter. A distinction between day visitors on holiday in other areas and day visitors travelling from their residence will also be useful; they are for instance expected to have a different expenditure motivation. Secondly, a distinction between incoming and local visitors is important - the latter not representing direct import to the area of demand for goods and services. In addition to these typologies, the proportion of repeat visitors should be examined. This proportion influences the business receipts, because the number of visitors from a fixed market population is the product of population size and visit frequency.

Finally, the attraction concept and the quality and contents of total tourist product of an area will influence the numbers of visitors by different age groups, household income

level, education, etc. As the various groups have different expenditure patterns, a study should include a socio-economic typology. Expenditure data then must be available, specified for each group, which normally should be done in attraction visitor surveys. This was not the case for the empirical material of the case studies, and will be discussed later in this paper.

## 2.2 Amplifying the *Flagship* Term

What do we mean by a flagship attraction? While a strict definition is not necessary, since the general framework is in principle applicable to any attraction whose impacts are being evaluated, it is nevertheless helpful to have a working definition.

In this study, the term is initially introduced as a description that fits the attraction cases, simply to indicate that the research field chosen concerns attractions of a certain importance. Nevertheless, it is interesting to investigate the implications of the flagship term further:

A general definition of *flagship* attractions is not primarily an ideographic matter. As almost any natural or man-made attraction in principle may constitute a flagship attraction, it is more a matter of scale - relative size or relative importance compared with other attractions - which, in turn, indicates that the flagship term must be defined within the organisational perspective.

Following this conclusion, a brief discussion of the flagship term is presented below. Here the term is eventually linked to theories of attraction systems, or more specifically, to theories of attraction hierarchies.

Obviously the *flagship* label is not a scientific term, it is a metaphor that refers to some criteria of *importance*. Initially the term seems to be a matter of scale, in terms of absolute number of visitors or proportion of destination or area visitors attributable to the attraction. It does, however, obviously also include a *visibility* aspect, that refers to the attraction as a focal point of a destination.

The visibility or *destination image* aspect implies that the attraction should be the most important product component of the area's tourist image. Echtner and Ritchie<sup>4</sup> discuss the importance of several functional and psychological aspects of destination image, and a reasonable interpretation of their conclusions is that an attraction should contribute significantly to the exposure of a destination to be considered as a *flagship*. Furthermore, Georg Kamfjord<sup>5</sup> focuses on the importance of the exposure profile (as the pre-visit destination image) of attractions in building the destination image. In many cases specific

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4 Echtner and Ritchie, 1991, p. 8.

5 Georg Kamfjord, 1993, pp. 68-70.

attractions are marketed as identifiers for larger attraction complexes or larger areas.<sup>6</sup> The image aspect is a qualitative criterion, which possibly could be operationalised by investigating the attraction's position in marketing strategies on various geographical levels.

The scale perspective implies that a flagship should be *observed* to attract a certain number of visitors who otherwise would not have come to the area. Stephen Wanhill<sup>7</sup> describes some essential quantitative characteristics by emphasising the ability of (new) flagship attractions to *attract new markets or extend the geographical outreach of the area beyond the capabilities of existing businesses*, and their innovative character, making them *capable of tapping into unrealised demand*.

An operational approach is to state that a flagship status requires that a *majority* of the visitors to the destination or area are attributable to the attraction. This approach must also imply that there is a certain volume of tourism, i.e. that some absolute numbers criterion is met. Otherwise the definition may suit any remote place being visited by someone.

Knowledge of the distribution of visitors by reason for visit usually requires that some kind of survey has been carried out. If not, a more pragmatic view could then be applied: the *flagship* term may be applied to cases where it *seems evident*, or is assumed to be, that a majority of visitors find the place worthy to visit just because of the particular attraction.

An important distinction has to be made between destination visitors and attraction visitors. If a majority of the *attraction visitors* state that they came particularly to see the attraction, the term flagship may not be appropriate. It could be that the attraction visitors constitute only a minor proportion of the destination visitors, if the attraction for instance is a niche product for those particularly interested. In that case the criterion of being an image focus of the destination or area is not met.

This investigation of the contents of the flagship label has emphasised the practical implications linked to flagships, which initially seem most relevant to identify the characteristics of the term.

To approach a more profound understanding and a more accurate definition of the attractions targeted by this study, however, the flagship term could be associated with the *nucleus* concept in the systemic approach developed by Leiper<sup>8</sup> on the basis of contributions from Gunn<sup>9</sup> and MacCannel.<sup>10</sup> In MacCannel's original attraction system a tourist attraction is defined as *an empirical relation between a tourist, a sight, and a*

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6 Lew, 1987; MacCannel, 1976.

7 Stephen Wanhill, 1996a, pp. 22-23.

8 Leiper, 1990.

9 Gunn, 1972.

10 MacCannel, 1976.

*marker* (1976, 41). In Leiper's version, the attraction system is expressed as a relationship between a tourist, a nucleus and an informative element (a marker). The nucleus<sup>11</sup> is the particular characteristic of a place the tourist seeks, which may be an element of an attraction, or the attraction itself. Leiper introduces the term *primary nucleus* as the type of element that *is influential in a traveller's decision about where to go*. This systemic view is an individualistic approach to the understanding of attractions, emphasising that each individual tourist will relate differently to the various nuclear elements. However, the flagship term may be interpreted within the systemic approach as the element that is perceived as the *primary nucleus* of a destination by a majority of the visitors.

The advantages of applying the systemic approach to attraction theory are primarily linked to the understanding of how and why tourists are attracted to a certain destination. In the discussion of visitor additionality this approach will take the researcher beyond metaphoric terms like *pull-effect* that are often used as a measure of an attraction's importance. Initially it seems fruitful to apply this model as a background for discussions of methodological problems and options in identifying visitors who are actually attributable to an attraction.

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11 Gunn, 1972.

## **3. Economic Impact Study Framework**

### **3.1 Economic Impacts of Tourism - an Overview**

#### **3.1.1 Impacts in general - types and measures**

The economic impacts of tourism (or any other economic branch or sector) comprise effects that are usually categorised as direct, indirect and induced effects.<sup>12</sup> Impacts may be measured in several ways, for instance as business receipts, employment or value added in the area of concern. Impacts may be expressed in absolute figures, but are quite often expressed in relative figures, as so-called multipliers.

The direct effects of tourism occur in enterprises directly selling their products to tourists (hotels, restaurants, attractions, retail shops, etc.) and appear as receipts, income, employment, local taxes or other measures. Likewise, indirect effects arise in enterprises that supply production input to these enterprises. Induced effects arise when company owners and employees are spending the incomes and wages that are created through the process from the initial sales to tourists (the direct effects) down through the various stages of sub-deliveries of goods and services (the indirect effects).

The total impacts occurring from these effects naturally depend on how much of the initial tourist expenditures are kept circulating inside the local economy. In other words, account must be taken of the degree to which money is leaking out of the economy in terms of demand for products from outside, wages to employees living outside the area, incomes to owners based outside the area, national taxes, etc. Particularly in rural areas, the indirect and the induced effects may be small. Generally leakages are higher the more remote the area is, because most products for consumption or production input have to come from companies outside the local area. The local supply of semi-finished goods and products to sell at local shops, and even the supply of skilled labour, etc., is small at most peripheral tourism destinations.

#### **3.1.2 Impacts of single enterprises: identification of relevant expenditures**

Tourists' expenditures are the starting point in most studies of economic impacts, even when establishing satellite accounts for tourism at the national level.<sup>13</sup> One always has to identify the expenditures of the tourists, which include both spending at tourism

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12 See for instance Frechtling, 1994.

13 Evensen and Sørensen, 1997.

enterprises (hotels, restaurants, attractions) and at different shops, petrol stations, transport companies, etc.

When estimating impacts of single tourism enterprises, one faces also the problem of identifying expenditures that are attributable to the enterprise. When the question is what the effects caused by the enterprise are, one cannot just count all visitor expenditure as if they were all attributable to that enterprise.

In the case of attractions, impacts certainly comprise both effects of visitors' expenditures at the attraction (on-site expenditures) and effects of other expenditures in the area by the attraction visitors (off-site expenditures). A major problem is to separate off-site expenditures that are caused by the attraction's existence from those that are not.

As pointed out in chapter 1.2, the study focuses on this problem - the estimation of attributable expenditures and the factors that influence them. We are fully aware of the fact that visitor expenditures are just the starting point in impact studies, but nevertheless we discuss neither employment features nor indirect and induced effects of attractions in this report. Some comments should, however, be made here on these issues.

Both on-site and off-site expenditures initially produce direct effects. Effects caused by off-site expenditures are often confusingly referred to as indirect effects in enterprise impact studies, but should be considered as direct effects. Indirect and induced effects of single enterprises occur in the same way as indirect and induced effects of tourism in general, which means that, once the attributable expenditures are estimated, the path to estimation of total impacts is the same as in any impact study.

Naturally, both direct, indirect and induced effects may be influenced by specific characteristics of the attraction (or the specific enterprise). For example, there may be stronger seasonality in employment in theme parks than in other tourism industries. Generally, there are reasons to believe that the ratio between expenditures and employment, value added or other impact measures will differ substantially across parks, and across different types of areas.

Anyway, these issues are not featured in this study. It would certainly be an interesting next step to investigate how the total effects on employment, value added, etc, may also depend on the characteristics of the attraction and its spatial and functional features.

### **3.2 Interrelations and Causalities - A Model Framework**

The initial discussion (chapter 2) placed the variables that are assumed to influence attraction visitor area expenditures within four groups; an attraction concept, a host area context, a tourism industry context and an attraction's market context, respectively. This can be formulated graphically in a simple model as presented in figure 1, where the arrows between the boxes indicate directions of influence.

The attraction and its contexts represents elements (or comprises elements) of a tourism system (where the *tourist* is placed within the market context), and as such they are inter-linked.<sup>14</sup> Hence, there are also several explanatory variables that must be interrelated. The thin arrows between the context boxes in figure 1 indicate these relationships. The model is not designed for an econometric approach, causalities are studied on the background of some attraction examples. The problems of high variable interrelation indeed require a much more detailed specification of variables and relations if a more quantitative approach is requested.

The model initially expresses that the numbers of different types of visitor can be seen as functions of the conceptual and contextual variables. The volumes of expenditures (equivalent to the business receipts from tourists) are functions of the visitor numbers and of the supply side characteristics (product diversification, quality, prices, etc.). The box indicating supply of goods and services is a helpful sub-group of supply-side characteristics of the tourism industry and the host area.

A *market* box, linking the visitors attributable to the attraction and the various firms supplying goods and services in the area indicates the economic transactions expenditures/business receipts. The bottom boxes of the figure indicate that expenditures are operationally divided into staying visitor, day visitor and local visitor expenditures, respectively.

The nature of the tourism system and the inter-linkages between different elements, underline the complexity of studying causalities. Some comments should be made on the relationships indicated in the top row of figure 1.

The concept of a manufactured attraction is normally adapted to socio-economic characteristics and the expressed needs and preferences of its markets (based on market surveys). Put another way, the attraction concept is usually aimed at certain parts of the population and excludes others to whom the concept has no appeal.

Like the attraction, the rest of the tourism industry in the area (capacity, diversity, etc.) will also be adapted to meet the characteristics of the market. In the case of larger attractions, parts of the industry will be designed to supply products complementary to the attraction (for instance accommodation capacity and location, smaller attractions, etc.).

The capacities and diversification of the tourism industry is otherwise determined by the size of the host area chosen for a study - if extended, it is likely that more tourism enterprises will be included. The size of the area chosen for impact studies also plays an

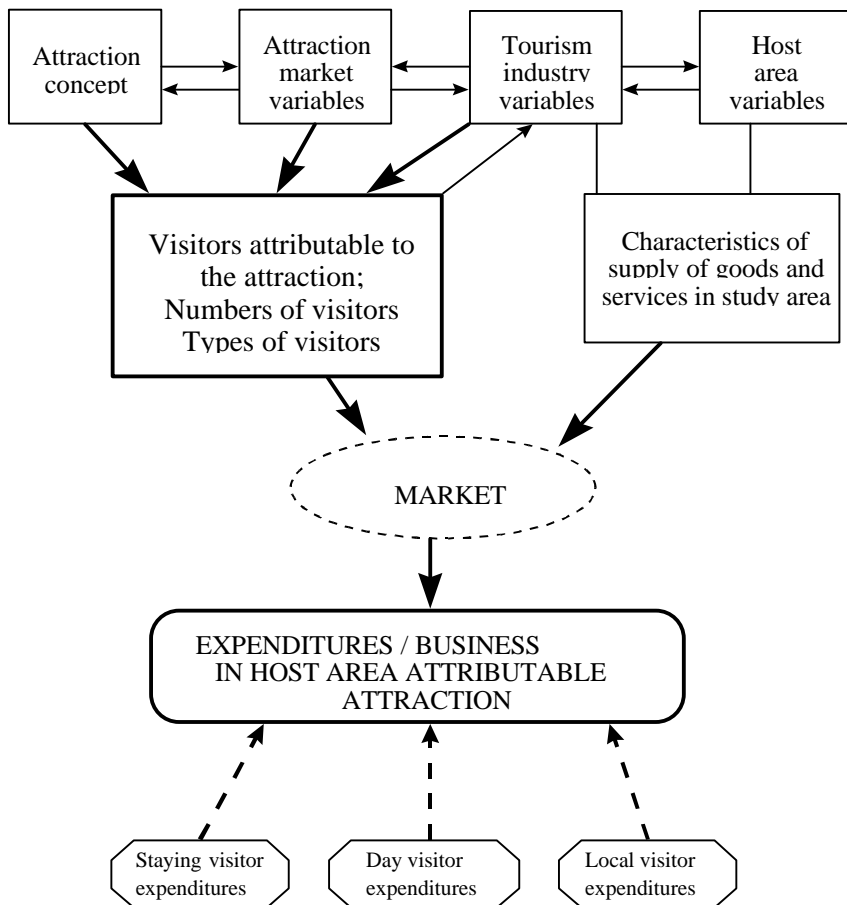
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14 Cooper et al., 1993, p. 5.

important role in terms of actual impacts, the larger the size, the more likely there is competition within the area.

The arrow from the visitor number box to the tourism industry box indicates the direct influence of the number of attraction visitors on the supply of tourism products in the area. The capacity of the tourism industry within an area, which so directly influences the volume of expenditures in the area, develops from the observed and the expected visitor volumes. To some degree the host area variables will also be influenced, for instance in terms of improved road and parking facilities, extended supply of services (petrol stations, etc.).

**Figure 1. A basic model framework**



The interaction between changes in visitor numbers and product development and investments in the local tourism industry is just an example of the dynamics of demand and supply, well described in economic market theory and in economic growth theory.

### 3.3 Visitor Expenditure Additionality and Displacement

The study focus on the expenditures attributable to the attraction, in other words the transfer of demand to the area caused by the attraction. This is labelled the *visitor expenditure additionality* of the attraction. Visitor additionality concerns the number or proportion of visitors attributable to the attraction, i.e. visitors who would not have come to the area if the attraction did not exist. Visitor expenditure additionality initially expresses these visitors' expenditures in the area, divided into on-site expenditures and off-site expenditures, respectively. However, the existence of a major attraction may also generate additional (on-site) expenditures from visitors who primarily came to the area for reasons other than seeing the flagship attraction. Likewise, local visitors' on-site expenditures may under certain assumptions (see below) be regarded as additional expenditures in the area. The proportions of these expenditures that really are additional expenditures depend, however, on the degree of visitor expenditure displacement.

Visitor displacement refers to cases where the attraction visit substitutes or in other ways replaces consumption of other products in the area, i.e. there is a transfer of consumption from other businesses in the area (or in other areas) to the attraction. This is the flip side of the coin - not all revenues at the attraction can come as fresh money from the outside world, and such displacement reduces what initially appears to be the economic impact of the attraction. The larger the area considered, the more likely it is that the attraction will draw visitors from similar attractions elsewhere,<sup>15</sup> or more generally, draw spending from businesses elsewhere in the area.

There are two different aspects of visitor additionality that initially have to be explained. The visitor pull effect of an attraction may firstly be seen in relation to the total number of visitors to an area, which can be considered as the *direct route* to examining the relative importance of the attraction for the area. The total tourist expenditure in the area may be expressed as  $T = A + R$ ,<sup>16</sup> where A denotes the expenditures at the attraction (on-site) and R denotes all other tourist expenditures (off-site) in the area. Disregarding visitor displacement, the attraction attributable expenditures may then be expressed as  $B = A + xR$ , where x is the visitor additionality factor (relative pull effect). The variables in this equation may be estimated from visitor surveys in the area.

For various reasons surveys are often limited to visitors at the particular attraction only, which is also the case for the empirical material to be analysed in this paper. Hence, the *pull effect* is seen in relation to the number of visitors to the particular attraction, and the

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15 Wanhill 1996a, p. 16.

16 Wanhill 1996a, pp. 4-5.

visitor additionality factor expresses the proportion of attraction visitors attributable to the attraction. The benefits of the attraction to the area can be estimated, but to examine the relative importance for the area, total tourist numbers and the corresponding expenditures in the area must be derived from other sources.

### **3.4 The expenditure estimation model**

An estimation framework will now be presented on the basis of the attraction visitor survey approach. The essential features of expenditure additionality and displacement are specified in figure 2. Visitors are grouped into outside visitors (who are either attributable to the attraction or not) and local visitors. By specification of a geographical area, the question of who are outside visitors and who are local visitors is defined by the visitor's permanent address. The table refers to expenditures *inside* the specific geographic area for which economic impacts are studied.

For visitors coming to the area *exclusively* because of the attraction (who would not have come otherwise), all expenditures in the area are attributable to the attraction, and expenditure displacement is nonexistent by definition. Such displacement will in any case occur from businesses outside the area in question.

For flagship attraction visitors who may not be categorised that distinctively, as well as for local visitors, the existence of displacement is evident - but relatively complicated to investigate.

For local residents expenditure displacement is assumed to be significant because the household's expenditures are normally subordinated to a budget constraint, i.e. expenditures at the attraction will have an equivalent decrease in other expenditures, although not necessarily in tourism related expenditures. If an attraction visit in the local area replaces tourism expenditures outside the area only, there will be full local expenditure additionality. The same argument may be used whenever the attraction expenditures replace consumption of other products or services imported to the area.

**Figure 2. Visitors at a particular attraction: Visitor expenditure additionality and visitor expenditure displacement within the local area of the attraction**

Attraction visitor category	Expenditure additionality		Expenditure displacement in area
	on-site expenditures	off-site expenditures	
Outside visitors attributable to the attraction	100 per cent	100 per cent	nil
Outside visitors staying in area for other reason than the attraction	partly; depending on budget and/ or time flexibility	nil	partly; depending on budget and/or time flexibility
Attraction visitors who are local residents	partly; depending on budget flexibility	nil	partly; depending on budget flexibility

These issues are roughly the same when focusing on outside visitors who would have come regardless of the flagship attraction, but holiday budgets are usually more flexible.<sup>17</sup> Displacement will to a larger extent affect spending outside the area and outside the limited period of time the visitor is actually staying inside the area. Many visitors, however, may face a time constraint that excludes visiting one or more other sites in the area that would otherwise have been visited.

Off-site expenditure additionality of local residents and outside visitors who would have come regardless of the flagship attraction is assumed to be nil. Some of the off-site expenditures may occur in relation to the attraction visit, for instance food or petrol purchase on the actual trip. These will probably be larger the larger the defined local area. However, one faces the same displacement arguments as for the on-site expenditures, and this expenditure additionality element should be assumed to be negligible.

### 3.4.1 The case study approach - no displacement

Estimation of visitor displacement effects present significant methodological problems, reliable results will depend on the ability to achieve accurate information from tourists and local residents on issues like visiting preferences (if for instance an attraction did not exist), budgets, budget flexibility and time at disposal for area visit. The pragmatic, and certainly more practicable, estimation approach is to focus on the total expenditure additionality and assume zero displacement, thus counting the benefits as:

- on-site expenditures by all visitors, being the attraction's total visitor revenues, plus
- the off-site expenditures of the visitors who meet the definition of visitor additionality.

The off-site expenditures of the latter are assumed to be different for different types of visitors. Here, the visitors will be categorised as additional day visitors and additional staying visitors (minimum one night spent in the area), respectively.

Hence the benefits - the visitor expenditure additionality - may be expressed as

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17 Cousin Stephens, 1992.

$$(1) \quad B = R + a_d V X_d + a_s V D X_s$$

where  $R$  is the attraction's revenues,  $a_d$  and  $a_s$  are the coefficients expressing the attraction's pull factor (the visitor additionality factors) for day and staying attraction visitors, respectively.  $V$  denotes the total number of visitors,  $X_d$  and  $X_s$  are the individual daily off-site expenditures of the visitors attributable to the attraction.  $D$  denotes the number of days in area for stay visitors.<sup>18</sup> The expressions  $a_d V$  and  $a_s V$  here denote the number of day visitors and stay visitors attributable to the attraction, respectively.

The Norwegian case studies' estimations of economic impacts were based on this simplified approach, indeed displacement issues were not taken into consideration or discussed at all.

The off-site attributable expenditures as expressed in equation (1) cover a conglomerate of different types of expenditures. The attraction concepts and contexts may differently influence the volume of each type of expenditure inside the area. The influence regards both the volume of expenditures and the proportion of visitor spending inside and outside the area in question, respectively.

To make it possible to discuss and understand how off-site expenditure volumes are determined, it is necessary to study different types of expenditures separately. The following disaggregation of the individual daily expenditures  $X_d$  and  $X_s$  was used in the Norwegian theme park case studies. It is assumed to reveal the most important expenditure issues:

$X_{aj}$  = accommodation costs

$X_{tj}$  = transport costs, including petrol, garage expenses, etc.

$X_{fj}$  = food and beverages (catering)

$X_{sj}$  = shopping (including groceries)

$X_{oj}$  = other attractions and activities

$X_{mj}$  = miscellaneous costs (health care, telephone, etc.)

(j = d,s)

The total attributable benefits estimated in the Norwegian theme park cases can be expressed as

$$(2) \quad B = R + a_d V (X_{ad} + \dots + X_{md}) + a_s V D (X_{as} + \dots + X_{ms})$$

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18 Evidently some staying visitors make more than one visit to the attraction during their stay in the area. Double counting may be avoided by including a question in visitor surveys.

### 3.4.2 The general approach including displacement

The more general approach, however, should also include discussions of expenditure displacement. According to table 1, the types of expenditures to be discussed in both an additionality and a displacement context are limited to on-site expenditures of local attraction visitors and outside (non-local) attraction visitors whose presence in the area is not initiated by the attraction visit.

The on-site expenditures ( attraction revenues) value R consists of three elements,

$$(3) \quad R = Y + Z + L$$

where Y is the on-site expenditures of visitors drawn to the area by the attraction, Z is the on-site expenditures of other visitors from outside the area, and L is the local visitors' on-site expenditures.

Assuming that there is a visitor displacement involved in the expenditures Z and L, equation (3) will be transformed to

$$(4) \quad R_a = Y + (1-d_1)Z + (1-d_2)L$$

where  $R_a$  is the total attributable on-site expenditures, and  $d_1$  and  $d_2$  are coefficients expressing the displacement rate of expenditures inside the area for outside and local visitors, respectively.

Now, the total attributable benefits - in terms of attributable expenditures - can be expressed as

$$(5) \quad B_a = Y + (1-d_1)Z + (1-d_2)L + a_d V(X_{ad} + X_{md}) + a_s V D(X_{as} + \dots + X_{as})$$

The equation (5) gives the basic principal framework for estimation of the expenditures that is the basis for estimation of different types of impacts (employment, value added, etc.). The equation also provides the basis for discussions of methodological problems of expenditure estimation, as it presents the essential elements to be considered in such an estimation.

In the case studies, the values of R (total revenues) and V (total number of visitors) in equation (2) were known. The variables to be estimated were the additionality factors  $a_d$  and  $a_s$ , and each of the off-site expenditure variables  $X_{aj}$  to  $X_{mj}$  ( $j = d,s$ ). The general study framework modelled in equation (5) identifies also the visitor numbers Y, Z and L (in total equalling V) and the displacement factors  $d_1$  and  $d_2$  as variables to be discussed in view of attraction concepts and contexts.

### 3.5 Some Comments on Estimation of Additionality

Evidently, there is some uncertainty linked to estimation of visitor additionality. The problem formulation is usually whether the individual tourist's visit to the specified area is attributable to a particular attraction or not, or in some cases to what degree it is attributable. In most examples, such estimation is based on individual visitors' statements on purpose of travel to a specific area.

The traveller's decision process about where to go and whether to go somewhere may comprise a number of different considerations and motives. The individual perception of one's own motives and attitudes may in many cases be too diffuse, so that the tourist him/herself may not be able to come up with the *true* answer even when facing precisely formulated options in a survey questionnaire. (Particularly) for people on holiday, most attractions are part of one or another hierarchical system of places to see. Essential attraction theories (see chapter 2.4) categorise attractions as primary, secondary and tertiary nuclei.<sup>19</sup> A *primary nucleus* or *core attraction* is defined as *a type of element that is influential in a traveller's decision about where to go*. Secondary nuclei may be attractions that are less influential; they are, however, also known about by the tourists in advance and may also be part of the traveller's decision.

Besides this, the tourist's motivation may also comprise other elements as well as attractions. For example, the visitor may have friends or relatives living in the area, or may have access to a holiday home in the area.

In many cases one may also observe that, as a destination develops, the interaction between the major or original attraction and other activities and facilities may become more integrated. The attractivity of the destination may eventually be linked more to the overall destination concept and less to the original attraction.

In essence, the methodological challenge is to transform individual qualitative considerations into reliable expressions that may further be turned into numeric (and aggregated) values. Clearly, most methods usually have to be based on comprehensive simplifications. A common approach is the use of various stated or revealed preference techniques, which requires precise questions and statement alternatives that also have to be matched by a fairly high individual consciousness as regards the tourist's own preferences.

In the Norwegian theme park surveys the visitors were asked whether the park visit was the major reason for travelling to the actual area,<sup>20</sup> whether it was a minor reason or no reason at all, i.e. a rather simple multiple-choice approach was used, in this case restricting expenditure additionality to those who stated *major reason* only. The method

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19 Leiper, 1990.

20 Dybedal and Engebretsen, 1996.

may have worked well in recording day visitors' motives; however, there is an air of uncertainty left as regards the real motives of the relatively large proportion of visitors on holiday.

An example of more sophisticated investigation is cited by Wanhill,<sup>21</sup> a two-step approach used by Johnson and Thomas.<sup>22</sup> Firstly, day visitors were asked whether they had visited, or planned to visit, anywhere else in the area that day. The expenditures of those who said *no* were counted as attributable to the particular attraction. Those who answered *yes* were asked whether they would still have visited the area if the attraction had not existed. *No* was interpreted as if the visitors' expenditures were fully attributable, and *yes* excluded any attribution. For staying visitors the questions were analogously formulated as *would you still have stayed in the area if the attraction did not exist?* and *would you have reduced your stay if the attraction did not exist?*

By both methods the additionality factor of day visitors is considerably higher than that of staying visitors. Initially this reflects day visitors' simpler decision - making process - there are few or no other potential activities involved as reasons for going to a particular place on a particular day. For staying visitors the question arises of whether values of additionality are under- or overestimated. In the Norwegian study values are more likely to be too high than too low because the additionality scoring option was formulated as *major reason*. In the Beamish study by Johnson and Thomas the questioning was more definitive as to whether the attraction visit was the only reason for coming or not. Thus, this method presumably leads to a less biased estimate.

The uncertainty of staying visitors' motives will normally be smaller the less developed and/or smaller the size of the area for which impacts are analysed. This is because there will be a smaller number of other attractions or other reasons for travelling to the area - and it is easier for the visitor to answer *yes* or *no*. Another reason why small areas produce less uncertainty in this matter is the fact that the proportion of staying visitors within the area is reduced. A larger proportion of visitors will be classified as day visitors to the area - travelling from home or from a holiday stay in places outside the defined area. This is particularly evident in some of the Norwegian cases - substantial proportions of visitors are people on holiday in surrounding areas.

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21 Wanhill, 1996, pp. 5-7.

22 Johnson and Thomas, 1992.



## 4. Theme Parks - an Overview

### 4.1 Theme Park Concepts and Definitions

Amusement park, pleasure park, leisure park, holiday park, recreation park, theme park. These are some of the labels describing sites designed to attract the visitor who wants to spend the day in an atmosphere of amusement, entertainment and new experiences. The term *theme park* seems to have become the most common label. Although neither a trademark nor a product subject to an agreed definition, this term is generally preferred by the industry itself to the somewhat broader terms like *leisure park* or *amusement park*.

There are numerous types of *themes* (and even lack of themes) to be found in different parks all over the world, which to some degree may explain the absence of a common definition or a trademark. Regardless, the impression is that the term *theme park* is subject to a common understanding and recognition in the various visitor markets.

The various Disney parks are the largest, and probably the best known, theme parks in the world. Walt Disney once said, *I want the public to feel they are in another world*. The Disney application of the theme park principle is to motivate visitors (especially families) during a day or more, to make them dream. *The subconscious and the imagination of people is caught through the variation of one theme in a series of sub-themes and the multiplicity of side-shows whose scenic arrangement is organised in minute detail.*<sup>23</sup> Within this tradition, the large American theme parks<sup>24</sup> are consistently built around a basic theme, even if the theme is simply *roller-coaster rides* (for instance Six Flags' Magic Mountain in Los Angeles).

In Europe there is generally a looser interpretation of theme parks than in the USA, where the term originated. Some studies include all large-scale pleasure parks offering rides, amusement and entertainment.<sup>25</sup> Some definitions and definition attempts,<sup>26</sup> that to some extent indicate the conceptual core of a theme park, are presented here.

John Broome, of Alton Towers in the UK, has defined the theme park (or rather the business idea of a theme park) as:

*A modern leisure park, the basic fairground approach, put into a better setting, dealt with on a far more sophisticated level, with charm and charisma and not just orientated to just one small sector of the market – but to the whole family.*

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23 Croizé, 1989, p. 459.

24 E.g. Six Flags, Knott's Berry Farm, etc.

25 For instance McEniff, 1993, p. 52.

26 Richards, 1994.

A relatively concrete definition<sup>27</sup> describes a theme park as a park consisting of rides and attractions that are built around a central theme or themes. A more functional approach<sup>28</sup> suggests that theme parks are characterised by the presentation of entertainment, activities, retailing and catering within a theme. What the visitor buys is a specially designed experience.

The range of theme parks and the contents of the theme park product are constantly being developed. Most parks are incorporating technological innovations in new types of rides, shows and games. At the same time, nature reserves and cultural sites are also incorporated in family park concepts, often in an educational context, stretching the theme park concept even further. There are several examples of recently developed attractions, based on or including nature and cultural features, that are approaching a theme park concept or at least approaching the theme park markets.

For instance in Denmark there are Kattgatcenteret (aquarium), the Medieval Centre in Spøttrup, Jespershus Flower Park, Natur Bornholm (Nature Centre of Bornholm), Randers (artificial) Rain Forest and Ribe Viking Centre. Although spectacular rides are more or less absent, and they are nowhere near the capacity and the attendance of the Tivoli Gardens or Legoland, these so-called *adventure centres* are approaching the theme park scene.

In the UK, a number of zoos or safari parks have evolved into major theme parks (Chessington World of Adventures, Thorpe Park and Flamingoland). Also a number of heritage centres, including serious museums (for instance Beamish), have been developed in a direction that may be interpreted (or experienced by the visitors) as theme parks.

The variety of themes and types of attractions is increasing, rather than decreasing.

Richards<sup>29</sup> concludes that, in relation to the problem of making precise conceptual definitions, it is most appropriate to define theme parks in terms of a series of characteristics. The following criteria are proposed:

- Primarily an outdoor attraction;
- A visitor destination in its own right;
- Based on rides, which are operated as a single management unit;
- Generally makes an admission charge or all-inclusive ride charge, which covers the use of all the major facilities in the park;
- Constructed around the needs of visitors, rather than relying on natural features;
- Focussed on entertainment rather than education.

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27 Mintel, quoted in Richards, 1994.

28 Robinson, quoted in Richards, 1994.

29 Richards, 1994.

The criterion that the park should be a visitor destination in its own right is an important feature. It indicates that the *theme park* term is also a matter of scale, usually a major attraction in its local area or region. It has to have a relatively large capacity, both in terms of space and in terms of attraction variety (number of rides and specific attractions) to be a theme park.

Some comments should also be made about the all-inclusive admission fee criterion. From a park's point of view this is mainly a question of what is an optimal pricing structure. Several parks charge an admission fee which does not include all attractions, in the sense that they operate with a separate fee for some of the major rides or other attractions in the park. However, a criterion implying some type of general admission fee is useful to separate theme parks from, for instance, free entry public fairgrounds where each attraction charges a separate admission fee.

Richards' definition was primarily made to distinguish theme parks from leisure parks and other visitor attractions. The definition presented is in accordance with the broader European idea of a theme park as indicated by McEniff. The looser type of definition expressed by John Broome (cited on the previous page) emphasises the atmosphere offered to the customer rather than the specific types of activities offered, regardless of the pricing system. A combination of these definitions - stressing that parks are not necessarily based on rides, and putting the emphasis also on educational elements - is probably an adequate interpretation of the general European perception of a theme park.

Even Richards' definition more or less avoids the problem of addressing what constitutes a *theme*. Some parks have multiple themes or simply a general idea of family entertainment, amusement and a social *day out* atmosphere. An analysis of parks and park visitors in Scandinavia<sup>30</sup> concludes that out of 17 major leisure parks only Legoland in Denmark was a theme park in the sense that it was built around one particular theme. The rest were zoos or safari parks and amusement or leisure parks.

The combined Richards/Broome definition, however, implies that most of the Scandinavian parks included in the study mentioned above<sup>31</sup> may be referred to as theme parks. Reviews of theme parks in Europe<sup>32</sup> show that parks based on nature/animal features, water activities or cultural heritage may also be counted as theme parks, provided there is a general admission fee, a certain capacity and a broad range of facilities.

The four major Norwegian parks analysed later in this study are examples of parks that are conceptually different (one *waterland*, one leisure park based on exotic animals, rides and family entertainment shows, one amusement park and one that is more an educational/playground family park). However, they have the same kind of atmosphere

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30 Engebretsen, 1990.

31 Engebretsen, 1990.

32 Also by Richards and McEniff.

and attract the same basic segments - *the whole family*.

Although small or medium-size by international standards - between 250,000 and 500,000 annual visitors - they all present themselves as *theme parks*. The management of each park emphasises that the label is the most adequate for the image they want to present to the market. In other words, they want the potential visitor's perception of the park to be in accordance with what they believe is a certain standard or quality stamp. As most of the parks they want to be compared with (in other countries) are known as theme parks, the Norwegian parks want to place themselves under the same umbrella.

## 4.2 Theme Parks in Europe

Modern theme parks began to develop in Europe in the 1960s and 1970s, parallel to growth in leisure time and disposable incomes and the increased mobility among consumers.<sup>33</sup> Some major parks have, however, existed for many years before that, later being reshaped or developed into a different concept (for instance Alton Towers, and several parks that were originally traditional zoos).

Until the 1980s theme parks were particularly a Northern European (UK, Germany, Holland, Belgium and Scandinavia) phenomenon. A 1987 EIU survey of major European theme parks<sup>34</sup> included only two French parks and none from southern Europe. There are still relatively few parks in the Mediterranean countries, but the scene is rapidly changing. In France, the opening of the Parc Asterix in 1989 and, particularly, Euro Disney in 1992 introduced a new development stage. Also in Italy and Spain there was a considerable increase in theme park investment from the early 1990s. There are relatively few *mega-parks* in Europe, parks that have an international importance. Euro Disney outside Paris represents the peak as regards number of visitors, reaching 8-10 million yearly (eight million in the opening year). There are a number of parks attracting more than one million visitors, but none that can match the size and importance of Euro Disney. Figures for current visitor numbers in European parks are not available; however, comparable attendance figures for 1992 are shown in table 1.

The figures in table 1 are probably not complete, but it is believed to give a good overview of the scale of theme parks in Europe. The International Association of Amusement Parks and Attractions (IAAPA) estimated in 1992 that there were 63 parks in Europe with annual attendance of more than 500,000.<sup>35</sup> The total number of theme parks in each European country is not known. The *Europarks* organisation had over 200 members in 1993, including of course many with fewer than 500,000 annual visitors, and the number has most likely increased significantly during the 1990s.

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33 McEniff, 1993, p. 59.

34 McEniff, 1993, p. 59.

35 McEniff, 1993.

The number of large theme parks depends also on the definition. One could for instance ask whether Copenhagen's Tivoli is a theme park because the admission fee is relatively low and does not include rides or other fairground activities. Several of the large traditional pleasure parks in the UK are not included (in the source material) because there is free entry and *pay as you go*. This includes for instance Blackpool Pleasure Beach (6.5 mill.) and Palace Pier in Brighton (3.5 mill.). On the other hand, the list includes sites that are basically zoos and safari parks which, according to McEniff, may be classified as theme parks.

The figures in table 1 give the impression that, even in the largest countries in Europe, there is a market for only 4-5 parks with an annual attendance significantly higher than one million. There are, however, a corresponding number of other parks (2-5) in the UK, Germany, Belgium and Holland that reached between 700,000 and one million visitors in 1992.

**Table 1. Attendance at major European theme parks 1992**

<b>Park</b>	<b>5. Visitor numbers 1992</b>
Euro Disney, France	8,000,000
Copenhagen Tivoli, Denmark	4,000,000
Parque de Atracciones Casa de Campo, Spain	2,700,000
Efteling, Holland	2,523,000
Alton Towers, UK	2,500,000
Phantasialand, Germany	2,200,000
Europa Park Rust, Germany	2,100,000
Heide Park, Germany	2,000,000
Carl Hagenbecks Tierpark, Germany	1,800,000
Noorder Dierenpark, Holland	1,700,000
Walibi Wavre, Belgium	1,450,000
Frontierland, UK	1,300,000
Euroscope, France	1,300,000
Duinrell, Holland	1,200,000
Burgers' Zoo & Safari	1,200,000
Holiday Park Hassloch, Germany	1,200,000
Legoland, Denmark	1,180,000
Chessington World of Adventures, UK	1,170,000
Madurodam, Holland	1,100,000
Thorpe Park, UK	1,026,000
Parque de Atracciones Tibidabo, Spain	1,000,000
Parc Asterix, France	1,000,000
Pony Park Slaghaven, Holland	1,000,000

Source: Europarks' data, supplemented by Economist Intelligence Unit survey.

### 4.3 Theme Parks in Denmark and Norway

Denmark has a large number of parks that may be classified as theme parks. A recent study carried out by the Danish Tourist Board<sup>36</sup> has registered all major Danish

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36 Danish Tourist Board, 1997.

attractions, of which several can be classified as theme parks when applying the broad *Richards/Broome* definition (see above). As regards the definitional question of scale, we have included here parks with visitor numbers exceeding 200,000 in 1996.

The classification categories that comprise possible theme parks are (translated from Danish by the author) *Amusement Park/Family Fun Centre*, *Zoo/safari Park*, *Aquarium* and *Educational Activity Centre*. Table 2 does not include attractions that are leisure parks without admission fee, traditional museums or traditional zoos.

The number of theme parks and visitors is remarkably high compared to the small Danish population (appr. 5.3 million inhabitants). Denmark is also a relatively small country (43,000 square kilometres), which implies that there is a high density of attractions.

There are only four parks in Norway having the scale and concepts to be considered a theme park (table 3). There is a growth in small size family leisure parks, and there are some large heritage centres and outdoor museums, but no other attractions yet that may be counted as theme parks in the sense discussed in this study. All four parks are included in the case studies to be presented in chapters 5, 6 and 7.

#### **4.4 Theme Parks Markets in Central vs. Peripheral Areas**

The general picture in Europe is that visits to theme parks are to a large extent made on a day-trip basis. Major theme park developments in e.g. the UK in recent years are generally located at non-resort destinations, where the key factor is the size of the population within a catchment area of two hours' driving.

Studies of the largest theme parks in the UK<sup>37</sup> indicate that most parks attract 80 % or more of their business from within a two-hour travel zone, and that most of the parks have at least 11 million people within the two-hour zone.

An analysis by the English Tourist Board in 1992<sup>38</sup> holds the existence of a large regional population to be a major criterion for location of new parks in the UK:

- The location should be within two hour's drive of 12 million residents, or within one hour's drive of major holiday destinations and two hour's drive of 5-6 million residents.

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37 Quoted in Richards, 1994.

38 Quoted in McEniff, 1993.

**Table 2. Theme parks in Denmark 1996**

Attraction	Category	5. Attendance 1996
Copenhagen Tivoli	Amusement park/family fun centre	3,100,000
Legoland, Billund	Amusement park/family fun centre	1,295,000
Professor Olsens Spilleland, Copenhagen	Family fun centre (games)	650,000
Kattegatcenteret, Grenå	Aquarium	437,000
Bonbon-land, Sjælland	Amusement park/family fun centre	406,000
Fårup Sommerland og Aquapark,	Amusement park/family fun centre	316,000
Djurs Sommerland, Djursland	Amusement park/family fun centre	310,000
Jespershus Blomsterpark, Mors	Amusement park/family fun centre	310,000
Tivoli Friheden, Århus	Amusement park/family fun centre	278,000
Knuthenborg Safari Park, Lolland	Zoo/safari park	275,000
The Lion Park, Givskud	Zoo/safari park	270,000
Experimentarium, Sjælland	Educational activity centre	269,000
Tivoliland, Ålborg	Amusement park/family fun centre	207,900
Skive badeland, Skive	Amusement park/family fun centre	203,000
Randers Regnskov	Educational activity centre	200,000

Source: Danish Tourist Board.

**Table 3. Norwegian theme parks 1996**

Attraction	Type of park	Attendance 1996
Kristiansand Dyrepark	Amusement park/family fun centre/zoo	481,000
TusenFryd	Amusement park/family fun centre/Viking village	421,000
Hunderfossen Familiepark	Family fun centre/educational activities	267,000
Telemark Sommarland	Amusement park/family fun centre/waterland	203,000

Source: NORTRA.

Three other main criteria are stated and concern motorway access, access to regional commercial television and the number of parks within the same area.

*It should be noted that these population numbers seem to concern parks aiming at around one million annual attendance, possibly applying the common rule of thumb saying that around 10 % of the regional population may be expected to visit a large theme park annually.*

Annual attendances of more than one million are not common at parks in Scandinavian countries. The Tivoli and Legoland, and the pleasure parks in Stockholm (Grøna Lund/Skansen) and Gothenburg (Liseberg) constitute a few exceptions. Their position as international flagship attractions and/or national fairgrounds is, however, not likely to be copied by any concept in more peripheral areas.

The above-mentioned criteria also emphasise the visitor potential among tourists. The market among tourists is not unimportant in central areas, but the tourist markets are crucial for parks in the peripheral areas. The tourist markets comprise mainly daytrip visitors from a holiday destination or resort within driving distance, or short break visitors. The latter constitute an increasing theme park market. Such trips may have the park only as a visiting target, or there may be a cluster of attractions or other leisure activities within

a specific area that the visitors want to experience during a short holiday trip. In particular, Euro Disney has focused on this market by investing in large accommodation capacity within the park - hotels that may also be attractions on their own.

The *normal* Danish and Norwegian theme parks attract between 200,000 and 500,000 annual visitors. In terms of population density, most parks are located in peripheral areas. Except for parks in the eastern parts of Denmark (near the Copenhagen area) there are no parks where the population within two hour's drive is large enough to *explain* the parks' actual attendance.

In table 4 a distance of 150 kilometres is considered equal to two hour's drive, and has been used to make estimates of population within two hour's drive. The Danish parks (except the Tivoli) are all located in Jutland. The Norwegian Parks are all located in the southeast parts of the country.

Table 4 indirectly indicates the importance of the tourist markets in both countries. For none of the parks is there a regional population exceeding six times the number of visitors; for some parks the visitor numbers even exceed the regional population number. It should be noted here that the population figures for each park in table 4 include all residents within 150 kilometres, regardless of area and population overlap.

In Denmark, the basic summer tourism concept (outside the city tourism of Copenhagen) is holidays in seaside resorts, with accommodation in privately owned or rented summerhouses, in camping sites and in countryside hotels.

The population figures in table 4 (and the total population of 5.3 million) indicate that there must also be large numbers of foreign tourists supplementing the domestic market. Copenhagen is of course an international tourist destination, while Legoland is a unique and internationally well known children's attraction and definitely a holiday destination in its own right. The other Danish attractions listed in table 4, as well as most of the others listed in table 2, also benefit from seasonal resort tourists. The Danish domestic market is fairly important, but there are also a substantial number of resort visitors from Germany, Sweden and Norway.

**Table 4. Population within 150 kilometres. Danish and Norwegian theme parks 1996**

Theme park	Population	1996 attendance	Population/ attendance ratio
TusenFryd, Oslo	1,565,000	421,000	3.72
Telemark Sommarland, South-east Norway*	866,000	203,000	4.27
Kristiansand Dyrepark, Southern Norway	258,000	481,000	0.54
Hunderfossen Familiepark, Lillehammer	306,000	267,000	1.15
Legoland, Denmark, Central Jutland	2,410,000	1,295,000	1.87
Tivoli, Copenhagen **	2,050,000	3,100,000	0.67
Fårup Sommerland, North Jutland	1,220,000	316,000	3.86
Djurs Sommerland, East Jutland	1,695,000	310,000	5.47
Jespershus Blomsterpark, North/West Jutland	1,633,000	310,000	5.27

\* Including 1/3 of the population in Oslo, which has its centre 150 kilometres from the park.

\*\* Not including residents in Swedish territories.

The short driving distances in Denmark and the large number of tourists imply that each attraction's catchment area comprises fairly high seasonal population numbers. The short distances also imply that the competition is hard, there is a substantial degree of overlap in the various attractions' catchment areas.

The situation is somewhat different in Norway. The country is eight times larger than Denmark and has a population of four million people, which limits the possible locations of theme parks or other attractions dependent on a certain minimum population within driving distance.

Although there is a large amount of foreign tourists in the summer season, the theme parks so far almost exclusively appeal to the domestic population. One reason for this is that round trips covering large areas (with short stops at a large number of sites) rather than resort holidays dominate in-coming tourism. Another obvious reason is that Norway attracts foreign tourists in summer mainly because of the country's nature and cultural attractions.

The typical market characteristic of the peripheral area parks is that their attendance includes a substantial number of tourists, who compensate for the absence of a large regional population. The domestic market, besides the day-trip visitors, consist of both people on holiday in summer resorts, visitors on short break trips or people on round trip holidays. Nearly all the regions in Norway are represented among the park visitors. Consequently, to exploit the limited market potentials, theme parks in Norway are located in order to attract - more or less - all these market segments.

To be able to attract a sufficient number of non-residents - in other words short break or holiday visitors - the park initially has to be located in a region that is attractive and accessible and also has the capacity to host a large number of tourists. Generally, theme park location in peripheral areas should be in accordance with the following types of criteria:

- Within day trip driving distance (150 kilometres) from at least regional population centres;
- Within short break trip driving distance from national population centres;
- Near summer holiday resorts - preferably seaside resorts or other resorts with water facilities;
- By, or with easy access to, a major road route;
- Near other basic leisure activities or in attraction clusters.

These prerequisites are necessary, but may not be sufficient. The viability of the parks in Denmark and Norway seems also to be dependent on the parks' ability to attract non-resident visitors to the area by own efforts. Which implies that the park also has to be sufficiently attractive, large and diversified in terms of facilities on offer, to constitute a national visiting site. Considering for instance the volumes of the Norwegian domestic markets, it is not sufficient that there is a population of tourists that constitute a visitor potential once they have arrived. To achieve the necessary visitor numbers, there must be a high proportion of tourists who actually come to the area to visit the park.

## 5. Introduction to the Theme Parks Studies

### 5.1 Theme Parks: Major Norwegian Tourist Attractions

In 1995 the Institute of Transport Economics (TØI) carried out visitor studies in the four major Norwegian leisure parks.<sup>39</sup> The four parks that were included in the study are all among the 20 most visited of all tourist attractions in Norway. Among attractions charging admission fees, they were all in the top nine of the NORTRA<sup>40</sup> national attraction visitor list in 1996. No other leisure parks in Norway have anywhere near the visitor numbers of these parks.

**Table 5. Top ten admission fee attractions in Norway. Numbers of visitors 1996 and 1997**

Attraction	1997	1996
Kristiansand Dyrepark	448,000	481,000
TusenFryd (including visitors at separate park <i>VikingLandet</i> )	370,000	421,000
Fløibanen funicular railroad, Bergen *	468,900	414,000
The Viking ship museum, Oslo	346,000	378,000
Flåmsbanen mountain/fjord railway line **	283,000	289,000
Hunderfossen Familiepark, Lillehammer	255,000	267,000
The <i>Fram</i> polar ship museum, Oslo	191,000	225,000
The Kon-Tiki museum, Oslo	211,000	218,000
Telemark Sommarland, Bø in Telemark	249,000	203,000
The North Cape Hall, North Cape	177,000	190,000

\* Single trips. Transportation of local residents also included.

\*\* Single trips.

Three of the case parks are attractions that are generally considered flagships of their home regions. They are Hunderfossen Familiepark at Lillehammer, Telemark Sommarland in Bø and Kristiansand Dyrepark. The three *flagship* parks normally have opening seasons from May to August or September.

The fourth park in the TØI study was TusenFryd, outside Oslo. Its location close to the city of Oslo implies a large number of local visitors and a large proportion of outside visitors with many other types of motivation for travelling to the Oslo area other than visiting the park. Although the park is strongly marketed, it is not a flagship attraction for the Oslo area in the sense discussed previously in this study. Including some main results from this park in the analysis, however, adds a useful dimension to the understanding of flagships.

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39 Dybedal and Engebretsen, 1996.

40 The Norwegian Tourist Board.

## **5.2 The Theme Park Survey**

The main objectives of the original theme park survey were to reveal visitor and market characteristics, and to compare results with a similar study undertaken in 1989. Assessment of primary local economic impacts was a sub-objective only, and the estimation of off-site expenditures to some degree followed the estimation framework presented in chapter 4 of this study. However, results were not analysed within the framework of the conceptual and contextual features of the parks.

The analysis framework presented on previous pages suggests some basic principles for studying the role of flagship attractions. The case study data are analysed within the main elements of this framework, but some simplifications have been made because of limitations in the data. The survey aimed to reveal various visitor and market aspects, and the size of the questionnaire had to be kept at a reasonable level. The visitor data nevertheless provide a detailed empirical background for assessment of regional and local economic impact, comprising motivation for trip and type of trip (excursion, round trip or fixed base holiday) to attraction area, place of residence or current accommodation, length of stay in area, type of accommodation, etc. Questions of the visitors' expenditures were, however, not given priority in the survey questionnaire, and estimations were to be based on external sources of expenditure data (see chapter 7).

The results and discussions presented here are necessarily a summary of the main findings on visitor markets and characteristics, and on economic impacts. With regard to the effects of the parks' respective conceptual and contextual identities on the impact figures, the aim of this study is limited to pointing to some key features.

The park surveys were carried out in the period 19 June to 13 August 1995, which is the high season period (school holiday). The visitor numbers in this period constituted between 65 and 89 per cent of the annual number of visitors. The seasonal pattern has a very significant school holiday peak, particularly at Telemark Sommarland and Hunderfossen Familiepark.

The questionnaires were distributed and collected by the park staff, and the aim was to collect 1000 interviews per park. The respondents were to be only one person from each visiting group, and the questionnaires were distributed proportionally at certain predetermined days and hours to secure a minimum representativeness.

**Table 6. Number of visitors in the period 19 June – 13 August 1995 and whole season**

	Number of visitors 1995		Survey period numbers as % of whole season
	19 June-13 August	Whole season	
Kristiansand Dyrepark	296,720	404,597	73
Hunderfossen Familiepark	211,806	256,005	83
Telemark Sommarland	207,587	232,454	89
TusenFryd *	223,842	342,646	65

\* Not including visitors to VikingLandet (separate admission fee).

After rejection of some 10 per cent of the collected questionnaires, the requested numbers were clearly achieved in two of the parks, but not quite achieved in the other two parks. The numbers of survey respondents in each park were:

Hunderfossen Familiepark	1,096
Telemark Sommarland	712
Kristiansand Dyrepark	1,186
TusenFryd	823

The initial survey results were grossed up by the number of visitors divided by the number of respondents (for each of three interview periods) to match the total number of visitors in each park during the survey period. All results refer to this period only. No estimates were made for expenditures, etc. outside the survey period.

### 5.3 The Theme Parks: Basic Concepts

The basic idea of the parks is to offer entertainment and activities that attract children (of all ages) and their families, as well as other types of groups like (particularly) school classes, for a whole day - or more. The size of the parks and their variety of activities imply that they are aiming at the national holiday and weekend-trip markets and not only at local and regional markets. This will be discussed in more detail in chapter 6.

The concepts, or rather the exposure profiles, are somewhat different, each park having relatively successfully built up its own distinctive identity separating it from the others. What the parks have in common is their family appeal and their variety of experiences and activities as well as a uniqueness that makes them a *must* to visit and revisit again some time later.

This uniqueness does not imply that the parks are based around one single or major theme - at least such themes are difficult to spot. There are, however, some basic ideas that separate the parks from each other, and all four parks live up to the image of a modern, medium-size theme park. It should be noted, however, that (particularly) Kristiansand Dyrepark and Hunderfossen Familiepark offer a more all-round family *day out* concept than the other two parks. Telemark Sommarland is built up around water (bathing)

activities, and TusenFryd is more like a traditional amusement park (although the recently built Viking Village adds a dimension to the park concept).

All parks emerged in their present status and shape during the 1980s. They are regularly - at least every third or fourth year - making considerable investments to renew their facilities and attractions in order to maintain interest in the market.

### **5.3.1 Hunderfossen Familiepark**

The park offers a combination of Norwegian *troll* and traditional fairy tale characters, pedagogic centres, play-and-learn activities and various playground activities within a family picnic frame. There is an all-inclusive admission fee of 135 NOK for adults and 115 NOK for children (1997).

The major single attractions are

- The fairy tale cave - comprising tableaux of well known traditional fairy tales;
- The *super-videograph* - 360 degree video screening of Norwegian scenery.

Other popular attractions include the wax museum, the ice cream factory and *pedagogical* centres like the oil and gas adventure centre, the energy centre and the photo adventure centre.

The playground activities comprise six different small car driving circuits (cars with and without engines), various swimming-pools and water slides, mini-golf, river gold-digging and a large collection of traditional playground equipment (toys, carousels, seesaws, climbing frames, slides, etc.).

Besides the educational centres mentioned above, there are also traditional farmhouses with domestic animals, and a children's data centre.

The park offers barbecue grills for visitors' use in addition to different catering facilities (small restaurants, fast food, ice cream bars and coffee shops).

The park is open daily between 1 June and 15 August, and some weekends at the end of May and end of August. The main indoor attractions are open all year round for group reservations. The location is 15 kilometres north of Lillehammer, along the major south-north road link (E6) between Oslo and the north.

### **5.3.2 Telemark Sommarland**

The main attraction of the park - also being a major theme - are the spectacular water (bathing) activities. The park also offers a selection of playground facilities and family music shows during the main season. The all-inclusive admission fee is 150 NOK for adults and 130 NOK for children (1997).

This *waterland* comprises 25 different water activities, some of them quite spectacular and award-winning water rides. The activities include surfing facilities (in large pool with artificial waves), different sized slides and a variety of pools.

The playground facilities include traditional slides and seesaws, mini-golf, a children's driving school and a small amusement park with a Ferris wheel and carousels. There are also minor gambling and data games facilities.

Most evenings in peak season there is musical family show entertainment with well-known (mostly Scandinavian) artists.

This relatively distinctive concept has been successful because bathing is a number one summer holiday activity among Norwegian families. The park is situated in a relatively remote farming area, but still within driving distance from major holiday areas at the southern coast of Norway. The park is successfully offering an all-weather alternative to the coastal beaches.

The opening season lasts from 1 June to 15 August.

### **5.3.3 Kristiansand Dyrepark**

This park was originally established as a zoo with many exotic animals. It has gradually developed to become the most popular family attraction in Norway, including attractions and characters that may be described as children's *icons*. This development was by and large initially based on the success of children's TV-star Julius the chimpanzee, and later the shows, records and films of sea pirate Kaptein Sabeltann.

In recent years, the establishment of children's author Torbjørn Egner's *Kardemomme by* (*Cardamom village*) has further added to the park's image as the homeland of children's favourites.

The zoo image is also still essential: according to park brochures, the heart of the park remains all the different animals. There are many exotic and rare animals to watch, and also considerable coverage of the Scandinavian fauna.

Besides this, swimming facilities are offered at the park's lake beach. Playground activities include a bobsleigh ride and a flume ride.

The all-inclusive entrance fee is 170 NOK for adults and 140 NOK for children. The fee does not include the Kaptein Sabeltann evening theatre shows.

The location is at the far south of Norway, in one of the most popular summer holiday regions of the country.

The animal park is open all year round, but entertainment and rides are offered in the summer season only.

### **5.3.4 TusenFryd**

This park is built around a more traditional amusement park concept and aims to be the capital's number one fairground. In this matter, TusenFryd has the advantage of being without competition in the area of Oslo as regards leisure parks. Its location is, however, 20 kilometres outside Oslo, implying that the park has not managed to establish the position of Copenhagen's Tivoli, Gothenburg's Liseberg or Stockholm's Grøna Lund/Skansen.

The park has about 50 different attractions, headed by a looped roller coaster. There are various spectacular rides, including a flume ride and a *flying carpet*. Other attractions include the Wild West ghost town (*Morgan Kane City*, including gunfight shows), a haunted house and bumper cars and boats. There are also various carousels and smaller rides and slides.

During the peak season the park offers family shows featuring fairy tale and cartoon characters, e.g. from Donald Duck, the Lion King and Sesame Street. There are also musical evening shows by well-known artists.

In 1995 the park introduced a separate theme park, VikingLandet (The Viking Country). This park is relatively small and covers 20,000 square meters (five acres), including a Viking village with farm houses, forge and other Viking workshops, a grave-mound, and a Viking court. In the village there are *Vikings* displaying daily life 1000 years back throughout the season. The main attraction is a mountain hall with a full-scale Viking ship taking visitors on a quite realistic Viking adventure trip.

An all-inclusive ticket for TusenFryd only is available at the price of 170 NOK for adults and 140 NOK for children (1997). The total fees including VikingLandet are 210 NOK and 170 NOK, respectively. Separate tickets for VikingLandet are available at 90 NOK (adults) and 55 NOK (children). The park is open May-September.

## **5.4 The Financial Viability of the Parks**

The importance of attractions for the local area will necessarily be influenced by their financial viability. Survival of an enterprise depends on its ability to balance revenues and costs and - in the long run - its ability to give its owners an acceptable return on their investments. Financial viability is also required in order constantly to develop the park facilities to retain the market's interest. It is also important that the park should not have to rely on public subsidies - such as financial support or favourable loans from the local authorities to maintain direct and indirect employment in the area.

All in all, financial viability means that the existence of the park is *safe* and permanent and so are its impacts. It is therefore appropriate to give a brief view of the financial viability of the Norwegian theme parks.

All four major Norwegian parks are profit maximising private (limited) enterprises. They are organised either as an independent enterprise or as a daughter enterprise under the umbrella of a private profit maximising company. Every park is, however, the major economic activity within its company. After the establishment period in the 1980s, and some initial financial struggles at some of the parks, they are all now regarded as financially healthy enterprises. During the 1990s they all consolidated their financial situation by making profits and re-investing much of their earnings in park facilities and in maintenance funds. They do not receive any public subsidies.

There have never been any bankruptcies, loss of company capital or any urgent need for re-financing as far as is known to the public, although some of the parks have had their odd years of financial problems because of temporary decreases in attendance. It is evident that their annual economic results are quite sensitive to changes in visitor numbers.

For that reason, permanently sinking popularity will be a threat to the parks, but that is not the situation for any of them.

**Table 7. Annual numbers of visitors by park**

	1994	1995	1996	1997
Kristiansand Dyrepark	462,300	404,600	481,400	448,000
Hunderfossen Familiepark	268,100	256,000	267,000	255,000
Telemark Sommarland	242,900	232,500	203,100	248,600
TusenFryd <sup>1</sup>	349,400	428,500	420,700	369,800

1 The Viking Village was introduced in 1995. The visitors there were counted separately in 1995 and 1996 and added to the visitors numbers of the main park.

Table 7 shows that particularly Kristiansand Dyrepark and Telemark Sommarland have been subject to at least one bad year recently, which in both cases led to severe (but not crucial) financial losses. At Kristiansand Dyrepark, a controversy that led to the loss of their biggest entertainment attraction for the whole season, is reported to be the major reason for the 1995 drop in visitor numbers (the artist returned in 1996). Telemark Sommarland considers that bad weather was the reason for the 1996 drop in visitor numbers.

The visitor number that makes break even at each park is not known, and will naturally vary from year to year. Anyway, all parks have made profits in at least three of the last four years. According to the management in each park, three good years for each *not so good year* year is normal and by and large a reasonable description of the park's financial viability.

## 5.5 Characteristics of the Host Areas

Impact studies may be carried out on different geographical levels. In this study the aim is to study economic impacts at the local level - i.e. in what may be labelled as the local host area. The host area is defined as the municipality in which the park is situated, plus the bordering municipalities. All municipalities included in the *local area* concept have their centres within 35 kilometres of the park.

For the three parks that are situated in the more rural areas, the municipalities that were chosen constitute what can be considered as the natural local economic area, e.g. the area of influence of the host municipality of the park as regards retail shopping and daily commuting labour force. For the TusenFryd park, the situation is somewhat different. Although Oslo is not a bordering municipality, the city centre is only 20 kilometres away from the park. This implies that the economy of the local area of the park is strongly influenced by and more or less integrated in to the major city economy. The local area of TusenFryd is to a lesser degree a natural geographical economic area, and we have chosen to include Oslo in the host area.

The size of the host areas is quite different as regards the number of residents (table 8). Telemark Sommarland and Hunderfossen Familiepark are situated in relatively sparsely populated areas. There is, however, a significant difference between these two areas too. Hunderfossen Familiepark is situated in the countryside, but within the municipality of Lillehammer. Lillehammer has only about 24,000 inhabitants, but it is the trade centre of a large region, and administrative centre of the county. It is also the regional centre of tourism, and is particularly known because it hosted the 1994 Winter Olympics.

**Table 8. Number of residents in local areas**

Park and municipality	Number of residents in host municipality	Number of residents in host area
Hunderfossen Familiepark, city of Lillehammer	23,900	35,000
Telemark Sommarland, rural municipality Bø	4,800	19,000
Kristiansand Dyrepark, city of Kristiansand	67,900	105,000
TusenFryd, suburban/rural municipality Ås	12,200	571,000

Telemark Sommarland is situated in Bø, a small country town of less than 5000 inhabitants. Bø is one of four local centres in the typical rural region of upper Telemark. It is located 55 kilometres away from the county centre of twin cities Skien/Porsgrunn (80,000 inhabitants), and 40 kilometres away from the nearest small town, Notodden, which has about 12,000 inhabitants.

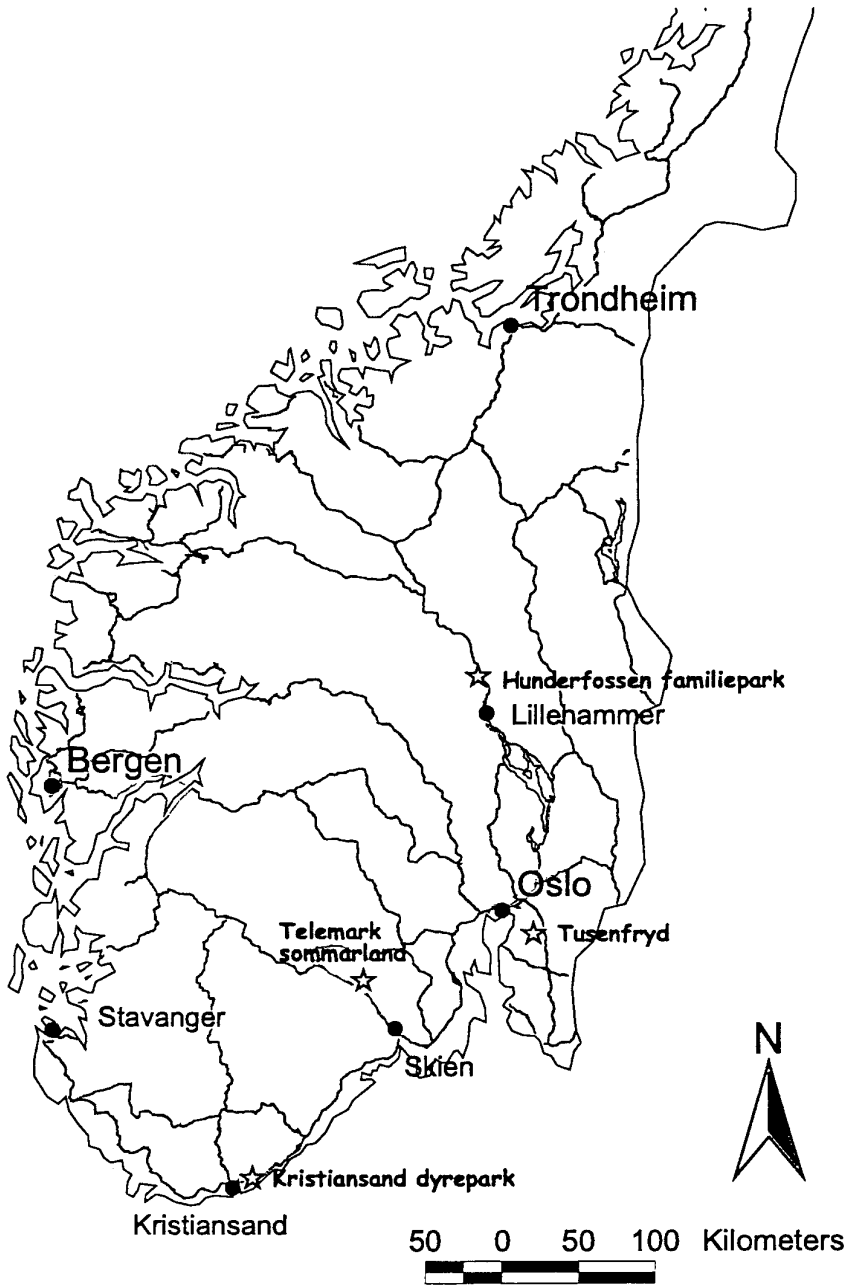
Kristiansand Dyrepark is situated nine kilometres outside Kristiansand, which has nearby 70,000 inhabitants. Kristiansand is the centre of the southern Norwegian region and a busy tourist town in summer.

All areas can supply tourists with basic consumption products. Good shopping facilities are present in Lillehammer and Kristiansand (and of course Oslo), although it is a few kilometres driving distance from the parks to the city centres.

Private car and coach transport are the dominant transport modes for park visitors. All parks have reasonably good access by road, being situated on the main inter-regional road network. There is a small exception for Telemark Sommarland, where parts of the access trails are ordinary country roads. TusenFryd and Kristiansand Dyrepark have reasonably good railway access by the main south-west railway line (between Oslo and Stavanger). The distances from the railway stations to the parks are two kilometres and nine kilometres, respectively.

Hunderfossen Familiepark is situated on the main line between Oslo and Trondheim, and has its own little railway station at the park. TusenFryd is 7.5 kilometres from the nearest rail station and 17 kilometres from the main railway station in Oslo, but the main public transport mode is the park's own bus line from the centre of Oslo.

Figure 3. Location of Norwegian theme parks. Major road network



There are no crucial barriers where accessibility by road systems is concerned, although traffic congestion may occur near all parks at weekends in the peak season. As regards rail, a lack of flexibility, demonstrated by relatively few train arrivals per day, is assumed to be a barrier, but is more likely to encourage private car use than result in a non-visit.

Although indirect economic impacts constituted a marginal part of the study, some comments should be made with respect to the size of the host areas. The relatively small areas chosen for impact studies of the three flagship attractions imply a likelihood of low indirect effects because production of services and products may rely on imports from other areas. This is possibly most evident in Bø, the location of TusenFryd, where deliveries to the park come from regional firms rather than local ones. In the regional centres Kristiansand and Lillehammer, however, the local supply of goods and services to the tourism industry is well developed.

The host area characteristics give some brief background information on determinants for off-site expenditures. The overall impression is that accessibility to the park areas is not a particular obstacle to the exploitation of any of the parks' visitor potential. The host area supply of basic goods and services for visitors seems sufficient in all areas. General shopping facilities are, however, limited at Telemark Sommarland, which is the most remotely located park. This may to some degree reduce the actual volume of off-site visitor expenditures.

A more profound understanding of expenditure potentials will emerge from an examination of the evidently more influential aspects of the attraction concept, the market context and the characteristics of the tourism industry in each area.



## 6. The Theme Park Markets

### 6.1 Basic Visitor Characteristics

The Norwegian theme parks have mainly domestic visitors, the numbers of foreign visitors are quite marginal. The target segments have traditionally been defined within the home market, and the major attractions in each park are for the most part based on characters that are familiar to Norwegian families.

Some efforts have been made to increase the number of foreign visitors, by and large by Kristiansand Dyrepark and TusenFryd. Kristiansand Dyrepark have launched a strategy in which the high-frequency ferry connection to Denmark is central, to attract the Danish, and subsequently, the German markets. TusenFryd's establishment of the park *VikingLandet* is also part of an attempt to attract a larger number of foreign visitors. The two other parks are looking outside the domestic market to a lesser degree.

The typical visitors in all parks are families with children, friends, etc. in groups from three to six people, and there are large proportions of non-local visitors. All parks attract a large number of school classes and other organised groups of children in the pre-holiday period from May until June 20.

Compared with results for the same four parks from a 1989 Scandinavian survey,<sup>41</sup> the basic visitor group structures seem rather stable. The average group size was 4.72 people in 1989 and 4.65 people in 1995, and the distribution of visitors by size of group was almost identical in the two surveys.

**Table 9. Visitors by number of people in each group. Percentage of interviewed visitors**

Group size	1989 survey	1995 survey
1 - 2 people	10	11
3 - 4 people	45	46
5 - 6 people	26	24
More than 6 people	19	19
Total	100	100

In both 1989 and 1995 nearly half the number of interviewed visitors (roughly 45%) belonged to groups of three or four persons, while about that proportion belonged to groups of five people or more (table 9). Only 10 per cent of the visitors came alone or with one other person.

In 1989 four out of five visitors were in groups that included children (table 10). The 1995 figures show a decrease in the proportion of groups including children, but there are no

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41 Engebretsen, 1990.

dramatic changes. Table 11 in fact shows that the distribution of visitors by age has slightly changed towards a larger proportion of children (53% in 1995 and 46% in 1989).

**Table 10. Proportion of visitors in groups including children (under 18). Percentage of interviewed visitors**

	1989 survey	1995 survey
Groups with children	80	72
Groups without children	20	28
Total	100	100

This indicates that, on average, there were more children and fewer adults per group in 1995 than in 1989.

**Table 11. Number of people in each visitor group and percentage of visitors, by age group**

Age group	1989 survey		1995 survey	
	No: per group	Percent	No: per group	Percent
0-12 years	1.74	37	1.98	43
13-17 years	0.44	9	0.45	10
18-22 years	0.26	6	0.26	6
23-39 years	1.65	35	1.26	27
40-59 years	0.49	10	0.59	12
60 years or older	0.14	3	0.10	2
Total	4.72	100	4.65	100

The increase in the proportion of children is evident in the youngest group. At the same time, there has been a decrease in the proportion of adults aged between 23 and 40. In other age groups there have been small changes only.

These are quite significant and interesting changes. In 1989 there was for instance one child under 13 per adult between 23 and 40. In 1995 there were 1.5 children (under 13) per adult between 23 and 40.

This does not change the fact that the parks have a strong affinity for groups consisting of children and their parents. The main markets consist of people on short break or holiday trips (see table 14). They are very often families with small children that are choosing a holiday site or holiday route that includes the possibility of visiting one of the major theme parks.

## **6.2 Resident population in local and regional markets**

With the exception of TusenFryd, the parks do not have any large local nor regional market in terms of resident numbers within reasonable driving distance (table 12). As mentioned previously, the flagship parks to a large extent manage to attract people on

holiday. After TusenFryd, Kristiansand Dyrepark has the largest population inside 50 kilometres; however, this only comprises 123 000 people. Within 100 kilometres of the parks the number of residents is about the same in all three flagship parks, but the numbers are still rather low.

**Table 12. Number of residents (000s) within different driving distances**

	< 50 kms	< 100 kms	< 150 kms	< 200 kms	< 300 kms	< 500 kms
Hunderfossen Familiepark	40	200	306	813	1,998	3,359
Telemark Sommarland	34	239	996	1,711	2,371	3,164
Kristiansand Dyrepark	123	211	258	426	1,277	2,765
TusenFryd	905	1,385	1,665	1,967	2,136	2,842

The large population concentration in and around the capital city of Oslo contributes strongly to the differences in population by driving distances, which is easy to trace in the table. Telemark Sommarland has a larger market within a driving distance of 150 kilometres than Hunderfossen Familiepark and Kristiansand Dyrepark, because the 150 kilometres distance from Telemark Sommarland includes the western parts of Oslo. For Hunderfossen Familiepark, the Oslo area is just within 200 kilometres, but to Kristiansand the distance from Oslo is just above 300 kilometres.

### 6.3 Visitor Markets by Type of Trip

Type of trip is a basic segmentation variable in this analysis. The visitors are grouped into the following categories:

1. Excursionists - visitors on a one-day trip from their residence. They may be local residents (here defined as living less than 50 kilometres away from the park), or non-local residents.
2. Short break visitors - visitors on a trip including one or two nights away from the residence. They may be accommodated in the host area or outside the host area
3. Holiday travellers - visitors on holiday, either on a round trip or on a base holiday. They spend at least three nights away from their permanent residence, and like the short break visitors they may be accommodated in the host area as well as outside the host area.

One of the hallmarks of peripherality as regards theme parks is a low population number within reasonable driving distance. Table 12 indicated that the local markets are small and there are also few residents within two hours' drive (150 kilometres). It is obvious that the three peripherally located parks could not have developed on any *theme park* scale unless they were able to attract a large number of customers from the short break and holiday trip markets.

As can be observed from the figures in table 13, these visitor categories are broadly represented in the parks' attendance.

**Table 13. Visitors by type of trip by park 1995. Per cent**

	Excurs. from residence	Short break trip	Base holiday of 3 nights or more	Round trip holiday	Other
Hunderfossen Familiepark	25	23	24	25	3
Telemark Sommarland	25	28	25	20	2
Kristiansand Dyrepark	29	15	33	19	2
TusenFryd	63	7	16	12	2

The three peripheral parks see a proportion of 70-75 percent of their visitors being people on holiday or on a short break trip. Around 50 percent are people on a round trip or base holiday. Telemark Sommarland and Hunderfossen Familiepark have quite similar distributions of visitors, while Kristiansand Dyrepark has a smaller proportion of short break visitors and larger proportions of excursionists and base holiday visitors. Compared with the other two parks, the visitor distribution at Kristiansand Dyrepark reflects the higher *local* population figures and the position of the southern coastline as a popular summer resort. The relatively low proportion of short break visitors at Kristiansand Dyrepark may reflect the lower population figures in areas between 100 and 300 kilometres from the park. TusenFryd represents the more urban situated theme park, reflected in the fact that nearly 2/3 of the visitors are excursionists. The market among people visiting the Oslo area on holiday is quite important (28 percent), while there are relatively few short break travellers who visit the park.

## 6.4 The Outreach of Visitor Markets by Residence

Having discussed the importance of the excursionist, short break and holiday markets, respectively, the next step is to examine the geographical outreach of these markets.

The number of visitors coming from each distance zone (intervals of 50 kilometres) depends mathematically on two factors. Firstly the number of residents within the zone and secondly the proportion of residents actually visiting the park in question. For each market (by type of trip) the number (or proportion) of visitors will be different from one park to another. One of the reasons for this is that the number of residents within each distance zone from each park will be different. By taking also the ratio (number of visitors: number of residents) in each zone into account, we will get figures that should be more directly comparable from park to park. This ratio can be interpreted as the absolute number of visitors weighted by the number of residents in the actual zone.

It should here be noticed that within the visitor numbers there are several repeat visitors included – often visitors who spend two subsequent days in the park. For instance at Kristiansand Dyrepark 20 per cent of visitors were recorded as repeat visitors. This should not affect the conclusions, which anyway must be based on total number of visitors and not number of *different* visitors.

Being a sample survey with 800-1200 respondents from each park, there will be some uncertainty in the figures, particularly regarding table cells with few observations. One should also be aware of the fact that some respondents may have misunderstood the question as regards the type of trip they are on. This may for instance be observed in the excursionist figures, where for some respondents the driving distance from their residence is more than 500 kilometres. On the other hand a few respondents have stated that they are on a base holiday trip even if their permanent residence is situated less than 50 kilometres from the park visited. These examples are, however, relatively few and will not influence the conclusions to any vital degree.

#### **6.4.1 Market overview**

The distance between the visitor's residence and the park visited generally increases by increasing duration of trip. More precisely, the willingness to travel far is obviously larger for holiday trips than for excursions. On the other hand, the type of trip undertaken to visit a certain park must be assumed to be strongly related to the distance between residence and park. Generally, people who live relatively close to the park would be expected to visit the park as excursionists and not make the visit part of a holiday trip. Hence, if the park attracts significant numbers of visitors from more distant geographical markets, these are most likely short break visitors or people on a summer holiday trip.

This kind of picture is evident on the Norwegian theme park scene and can be more closely studied in figures 4 and 5. From table 13 it may be observed that, while the three peripheral parks had a more or less even distribution of visitors by type of trip, TusenFryd had a large proportion of excursionists. The difference in composition of visitors is clearly reflected in the distribution of visitors by distance zone.

TusenFryd receives few visitors living between 200 and 300 kilometres away, except for a number of about 46,000 who live more than 450 kilometres away. These are mainly holiday travellers, for whom Oslo is distant enough to be a more interesting place for a holiday than it is for people who live closer to the country's capital.

The three other parks - whose attendance consists of about 50 percent holiday travellers - attract visitors from all distance zones. From figure 5, one may observe that the relative number of inhabitants in each zone who are park visitors show a stable course for zones beyond 150 kilometres. Hence, the low values between 350 and 500 kilometres in figure 4 are mainly caused by variations in zone population. Also for TusenFryd the relative numbers of visitors by distance zone are relatively stable, except for the 200-250 kilometre zone. The population in this zone is considerably lower than in the other zones, but TusenFryd apparently attracts a large proportion of visitors (mainly short break travellers) from this zone.

Figure 4. Park visitors by distance zone. Tusenfryd (TF), and aggregated figures for Hunderfossen Familiepark, Kristiansand Dyrepark and Telemark Sommerland

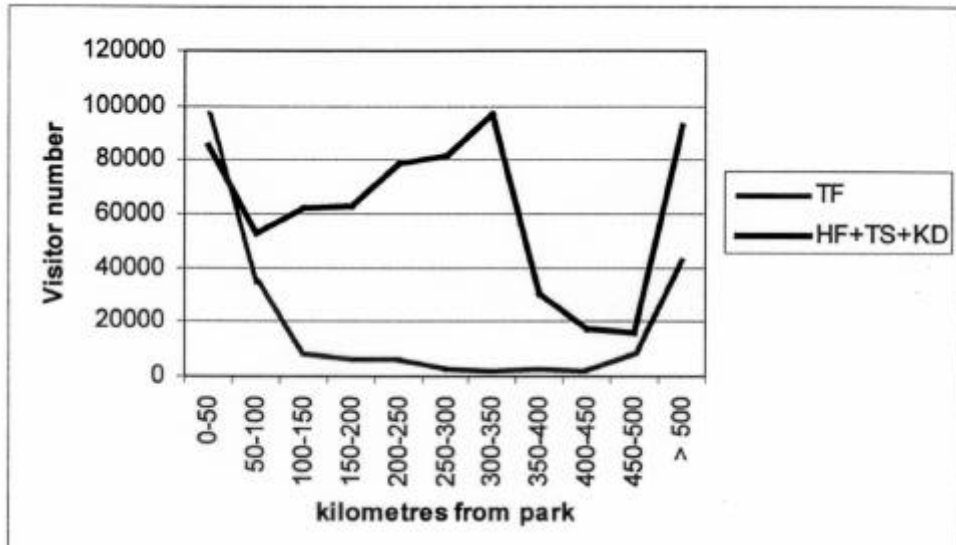
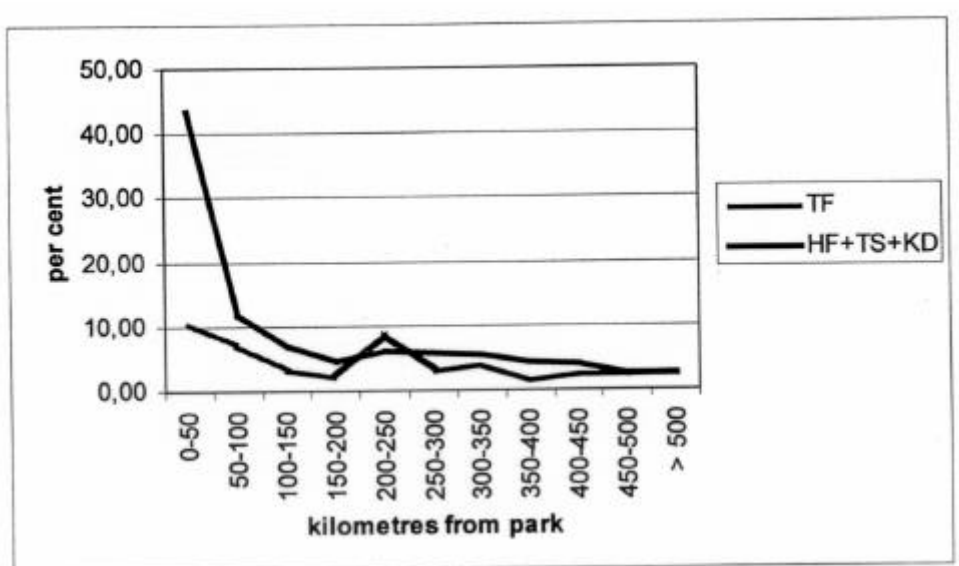
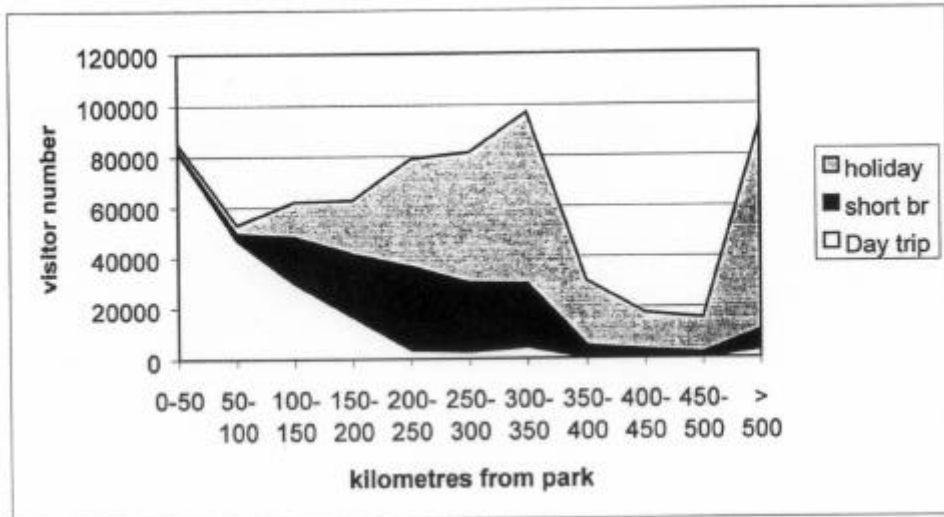


Figure 5. Park visitors by distance zone as percentage of population. TusenFryd (TF) + average figures for Hunderfossen Familiepark, Kristiansand Dyrepark and Telemark Sommarland



**Figure 6. Park visitors by type of trip and distance zone. Aggregated figures for Hunderfossen Familiepark, Kristiansand Dyrepark and Telemark Sommarland**



**Figure 7. Percentage distribution of park visitors by type of trip and distance zone. Hunderfossen Familiepark, Kristiansand Dyrepark and Telemark Sommarland**

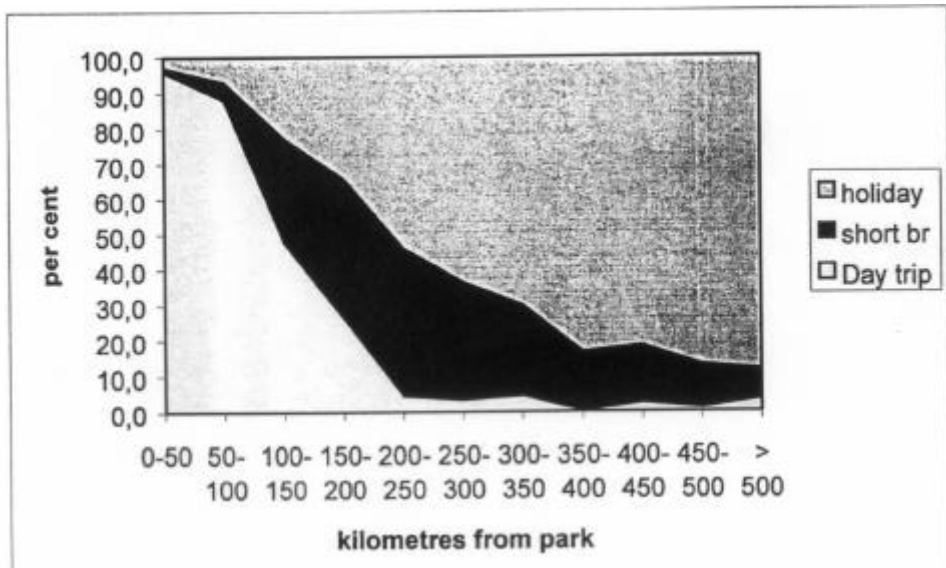


Figure 6 includes aggregate figures from the three peripheral parks. It shows how excursionists are dominant among the visitors who live less than 100 kilometres away from the park. Between 150 and 350 kilometres short break visitors and holiday visitors are becoming dominant, and from 350 kilometres the scene is dominated by people on holiday. This picture becomes even clearer if we look at relative numbers in each zone (figure 7).

The market situation is not exactly the same for each park when examined separately. There are distinct variations, particularly as regards the short break and holiday markets. These variations may occur because of differences within the population in each distance zone or because of the park's general ability to attract people at extra-regional geographical levels. The variations may also reflect differences in each host area's position as tourism destinations. A further investigation of each of the markets will reveal some of these variations.

## 6.4.2 The excursionist market

The figures in table 14 and the diagram in figure 8 indicate that the excursionist market is primarily found within 100 kilometres, and that it may stretch out to 200 kilometres. Only to a very limited degree do people travel more than 200 kilometres for a day's visit.

Figure 8 shows the proportion of residents living within each distance zone that visited the respective parks during the school holiday period in 1995. For all parks this proportion (or visiting frequency) is clearly decreasing by increasing distance. There are, however, remarkable differences between the parks. Kristiansand Dyrepark and Hunderfossen draw higher proportions of the population in each distance zone than Telemark Sommarland and TusenFryd do. While the visitor numbers of Kristiansand Dyrepark correspond to nearly half the population within 50 kilometres, the numbers at TusenFryd correspond to 10 percent of the population.

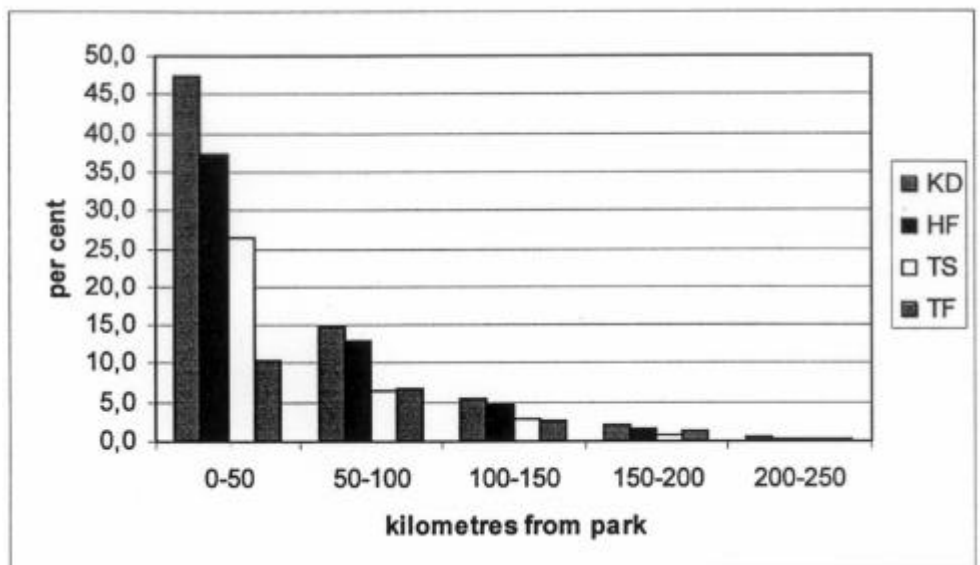
The less typical park is Telemark Sommarland, which gets considerable numbers of excursionists travelling more than 100 kilometres one way. This is mainly because of its geographical position 120-160 kilometres away from the Oslo region. The park does not attract any larger proportion of the population within that distance zone than the other parks do. The Oslo area is to some degree also *responsible* for the number of visitors at Hunderfossen Familiepark travelling more than 150 kilometres.

The strong local visitor affinity to Kristiansand Dyrepark and Hunderfossen are assumed to be caused by matters concerning park concept and competition from other activities. TusenFryd (more like a traditional fairground), and to some degree Telemark Sommarland (water based) do not have the same all-round family activity image that the other two parks have, and TusenFryd in particular faces tougher local competition.

**Table 14. Park visitor numbers by distance zone. Excursionists**

Kilometre zone	Hunderfossen Familiepark		Telemark Sommarland		Kristiansand Dyrepark		TusenFryd	
	%	Visitors	%	Visitors	%	Visitors	%	Visitors
0-50	28	14,900	17	8,900	68	58,100	66	92,900
50-100	38	20,600	26	13,100	15	13,000	23	32,400
100-150	9	5,000	43	22,200	3	2,600	5	7,100
150-200	14	7,700	10	5,300	4	3,600	3	4,000
200-250	4	1,900	1	-	1	1,000	0	-
250-300	2	800	0	-	2	1,800	0	-
> 300	5	2,800	2	800	6	4,700	2	2,800
Total	100	53,700	100	51,200	100	84,800	100	139,804

**Figure 8. Park visitors by distance zone as percentage of population. Excursionists**



### 6.4.3 The short break market

The short break market comprises persons who undertake a trip with one or two overnight stays away from the permanent residence, which is normally undertaken at weekends. In the school holiday, however, several families take their children on such trips during the week.

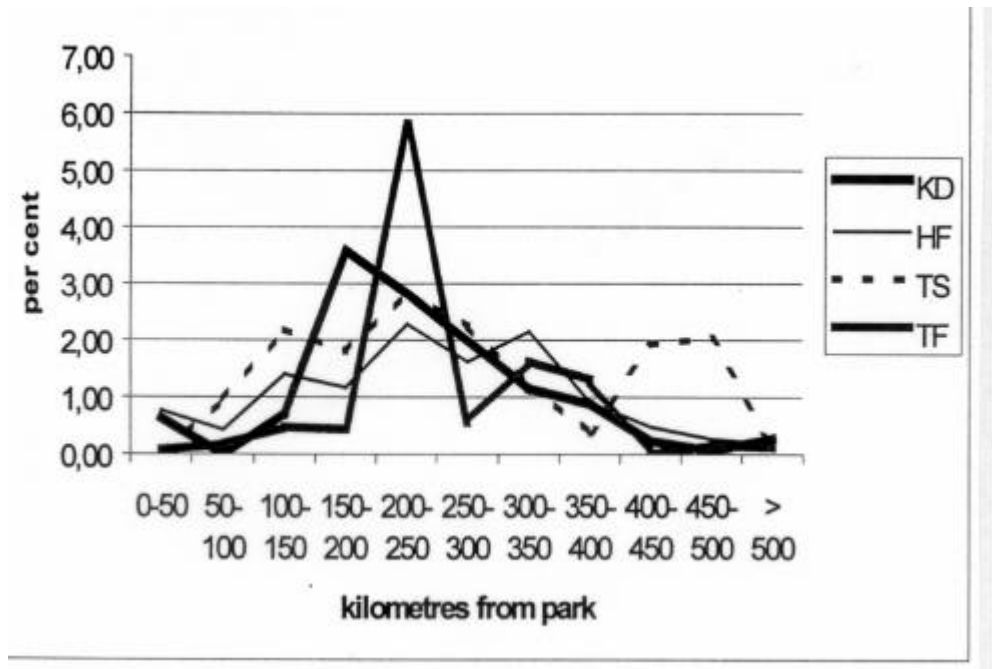
At the three peripheral parks, the geographical outreach of the short break market in terms of visitor numbers seems linked to the distance from the densely populated Oslo region (table 15). The main markets for Hunderfossen in are in the zones between 150 and 350 kilometres. Oslo is situated just over 200 kilometres from the park, which most likely explains the high visitor number from the 200-250 kilometre zone. The relative figures for each zone (figure 9) show that short break visitors are more likely to live between 200 and 350 kilometres away than in other distances from the park.

Telemark Sommarland gets 80 per cent of its short break visitors from areas between 100 and 300 kilometres from the park. The distance to Oslo, which is about 150 kilometres (to the city centre), strongly influences this distribution. The relative figures in figure 8 also indicate that the typical short break visitor lives between 100 and 300 kilometres away. The material also shows high relative numbers of visitors from the sparsely populated zones between 400 and 500 kilometres. This may be caused by biased survey material.

**Table 15. Park visitor numbers by distance zone. Short break travellers**

Kilometre zone	Hunderfossen Familiepark		Telemark Sommarland		Kristiansand Dyrepark		TusenFryd	
	%	Visitors	%	Visitors	%	Visitors	%	Visitors
0-150	5	2,500	32	18,500	3	1,100	19	2,800
150-200	12	5,900	22	12,800	14	6,000	9	1,300
200-250	35	17,000	15	8,700	17	7,300	30	4,400
250-300	15	7,200	14	8,000	27	11,800	4	500
300-350	19	9,400	8	4,400	25	11,000	7	1,000
350-400	5	2,400	2	1,200	3	1,300	14	2,000
400-450	2	800	3	1,500	1	-	0	0
450-500	3	1,300	1	-	0	-	4	600
> 500	4	1,800	3	1,500	10	4,400	13	1,900
Total	100	48,272	100	57,200	100	43,500	100	14,500

**Figure 9. Park visitors by distance zone in per cent of population. Short break travellers**



Kristiansand Dyrepark gets about 70 per cent of its short break visitors from areas between 200 and 350 kilometres away. Oslo (city centre) is situated 315 kilometres away and the Stavanger area about 250 kilometres away, which certainly provides an explanation on this. Relatively seen, the most frequent short break visitors live in the 150-200 kilometre zone, otherwise one finds the highest values also between 200 and 300 kilometres.

TusenFryd has few short break visitors, but the impression one gets from the relatively sparse material is that they are more evenly spread over the distance zones than is observed at the other parks. However, nearly 60 per cent live less than 250 kilometres away from the park (table 15). A particular phenomenon is observed in the strong attraction of people in the 200-250 kilometre zone (figure 8). There is no obvious explanation for this; however, one may not exclude the possibility of biased survey material.

In general the short break market seems to have the highest concentration between 150 and 300 kilometres. When extending this outreach to the interval between 100 and 350 kilometres, most of the short break market for Norwegian peripheral theme parks is covered.

#### **6.4.4 The holiday trip market**

The holiday trip market comprises persons who undertake a trip with at least three overnight stays away from their permanent residence. The general picture of the domestic summer holiday market is that there is a large proportion of base holiday trips, where staying at private or rented holiday homes, with friends and relatives or in permanently placed caravans are the most important types of accommodation. It is also quite common to undertake round trip holidays, particularly linked to camping, rented rooms and bed-and-breakfast types of accommodation. From table 13 it can be observed that, among park visitors, base holiday and round trip tourism are almost equal in terms of numbers of tourists.

An important characteristic of the geographical outreach of the holiday trip market is that visitors come from all over the country. This is indicated by the high numbers of visitors living more than 500 kilometres (a zone which in fact ranges from 500 to 2000 kilometres) from the visited park (table 16). It is further confirmed by the relatively high frequencies among people in the plus 500 kilometres zone (figure 10).

The main markets for Hunderfossen Familiepark in terms of visitor numbers are in the zones between 200 and 400 kilometres. Sixty percent of the visitors come from regions in this distance interval. This also corresponds well to the relative figures, which have the highest values between 200 and 450 kilometres (figure 10).

Kristiansand Dyrepark gets 50 per cent of its holiday trip visitors from the 200-350 kilometre intervals. The relative figures for each zone also show, however, high values among residents living more than 500 kilometres away from the park. In fact one third of the holiday visitors travel more than 500 kilometres.

Telemark Sommarland attracts holiday visitors mainly from areas between 100 and 350 kilometres from the park, which is about the same picture as in the short break market. Relative figures, however, show high values up to 450 kilometres.

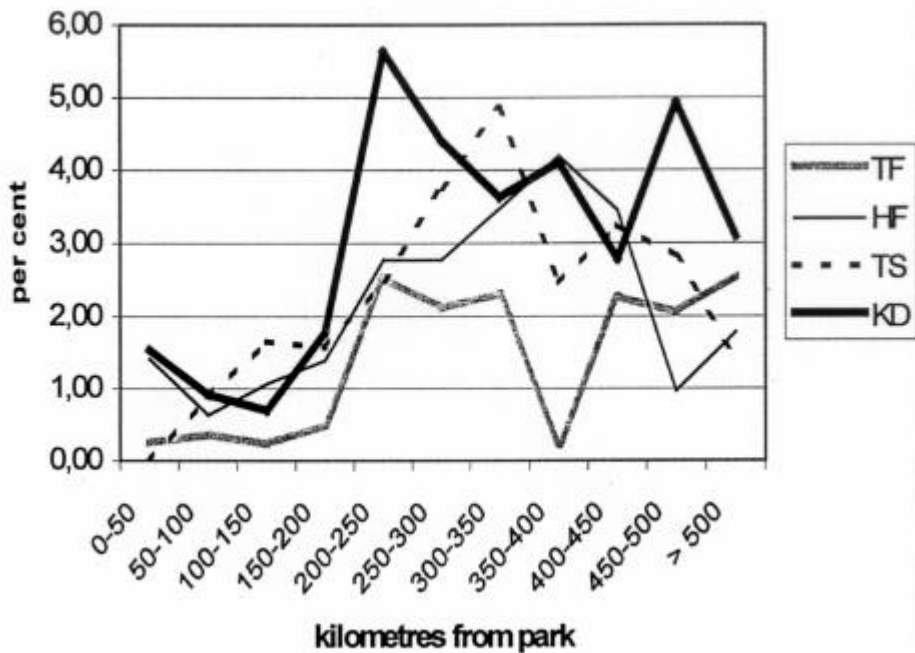
TusenFryd has few holiday visitors, a majority in fact coming from regions more than 500 kilometres away. Except for the 350-400 kilometre zone, the relative figures are quite stable from 200 kilometres and further. There are relatively few people living in the 200-500 kilometre zones, which explains the low absolute numbers.

For the three peripheral parks, the holiday market seems to have the highest concentration between 200 and 400 kilometres in absolute figures. The absolute numbers from each distance zone for each park are, however, strongly influenced by the number of residents in each zone, which varies considerably from park to park. In relative figures the attraction power (of all four parks) is evident in all regions more than 200 kilometres away.

**Table 16. Park visitor numbers by distance zone. Holiday travellers**

Kilometre zone	Hunderfossen Familiepark		Telemark Sommarland		Kristiansand Dyrepark		TusenFryd	
	%	Visitors	%	Visitors	%	Visitors	%	Visitors
0-150	3	2,700	16	14,400	2	3,000	8	4,700
150-200	7	5,900	12	11,200	2	3,000	2	1,500
200-250	21	20,500	8	7,600	10	14,600	3	1,900
250-300	13	12,300	15	13,400	17	26,100	3	2,000
300-350	16	15,100	20	18,000	23	34,800	2	1,400
350-400	11	11,100	8	7,900	4	6,300	0	0
400-450	6	6,300	3	2,500	4	5,700	4	2,100
450-500	5	4,600	1	950	6	8,400	14	8,100
> 500	18	17,200	18	16,400	32	48,200	63	37,900
Total	100	96,900	100	92,100	100	150,100	100	59,900

**Figure 10. Park visitors by distance zone as percentage of population. Holiday travellers**



## 6.5 The Outreach of Holiday Destination Markets

As previously discussed (see chapter 2.4), peripheral parks are dependent both on being situated in traditional holiday regions and having the ability to attract people to the area or region by their own reputation. The park survey revealed that many park visitors decide their holiday or short break destination primarily with the intention of visiting a certain park. In that sense, the distance between residence and park seems the most relevant type of indicator of the size (or outreach) of the geographical markets.

Several short break and holiday visitors, however, decide on the destination or other reasons. The park visit decision is then made after the destination decision is made. Regarding these visitors then the geographical market is described by how far people on short breaks or holiday trips actually travel on the day of the park visit.

Table 17 shows that a majority of both short break visitors and holiday travellers drive less than 50 kilometres on the day of the park visit. With few exceptions around 85 per cent of short break or holiday visitors in any park spend the night before the visit less than 100 kilometres from the park. Short break visitors, however, are generally more concentrated in the 50 kilometre zone than holiday visitors.

From the figures in table 17 one may also make a comparison of holiday travellers and excursionists. For the two parks where excursionists markets are rather wide (Hunderfossen and Telemark Sommarland), the differences turn out to be quite significant. From these two cases it seems to be an appropriate conclusion that the excursionist markets are a lot wider than the holiday and short break destination markets. At the two other parks, a large majority of excursionist visitors come from nearby areas (within 100 kilometres). Hence, differences are evidently found within the 0-100-kilometre interval only. At Tusenfryd, short break visitors (particularly) and holiday visitors are more concentrated within the 50-kilometre zone than excursionist visitors. At Kristiansand Dyrepark, however, that type of difference is not observed.

One could make further investigation of the holiday and short break destination markets by looking at geographical distribution of accommodation site by distance zone in view of the importance of the park visit. In other words, by examining whether the observed driving distance on the day of the visit is influenced by the importance of the park visit for choice of destination.

The figures in table 18 do not give indications that are unambiguous enough to lead to a general conclusion. At Hunderfossen and Telemark Sommarland there are evidently higher frequencies as regards accommodation within the 50-kilometre zone in the *main reason* visitors category than in the other two categories. At Tusenfryd and Kristiansand Dyrepark, however, such differences are not observed.

**Table 17. Proportion of visitors by distance zone. Excursionists: distance from residence. Short break visitors and holiday travellers: distance from accommodation site. Percentage**

**All parks**

<b>Kilometres</b>	<b>&lt; 50</b>	<b>50 - 100</b>	<b>100 - 150</b>	<b>150 - 200</b>	<b>200-250</b>	<b>&gt; 250</b>	<b>Total</b>
Excursionists	53	24	11	6	1	4	100
Short break visitors	73	7	6	4	4	6	100
Holiday travellers	70	13	6	3	2	6	100

**Hunderfossen Familiepark**

<b>Kilometres</b>	<b>&lt; 50</b>	<b>50 - 100</b>	<b>100 - 150</b>	<b>150 - 200</b>	<b>200-250</b>	<b>&gt; 250</b>	<b>Total</b>
Excursionists	28	38	9	14	4	7	100
Short break visitors	74	11	3	4	5	2	100
Holiday travellers	66	13	6	3	5	7	100

**Telemark Sommarland**

<b>Kilometres</b>	<b>&lt; 50</b>	<b>50 - 100</b>	<b>100 - 150</b>	<b>150 - 200</b>	<b>200-250</b>	<b>&gt; 250</b>	<b>Total</b>
Excursionists	18	26	43	10	1	2	100
Short break visitors	78	7	8	2	1	4	100
Holiday travellers	70	13	9	3	0	5	100

**Kristiansand Dyrepark**

<b>Kilometres</b>	<b>&lt; 50</b>	<b>50 - 100</b>	<b>100 - 150</b>	<b>150 - 200</b>	<b>200-250</b>	<b>&gt; 250</b>	<b>Total</b>
Excursionists	68	15	3	4	1	8	100
Short break visitors	67	6	4	4	6	13	100
Holiday travellers	70	15	4	1	2	8	100

**TusenFryd**

<b>Kilometres</b>	<b>&lt; 50</b>	<b>50 - 100</b>	<b>100 - 150</b>	<b>150 - 200</b>	<b>200-250</b>	<b>&gt; 250</b>	<b>Total</b>
Excursionists	66	23	5	3	0	2	100
Short break visitors	85	2	5	2	6	0	100
Holiday travellers	75	11	5	5	1	3	100

**Table 18. Accommodation site by distance zone and by importance of park visit for travelling to area of accommodation site. Short break and holiday visitors. Percentage**

**All parks**

Kilometres	< 50	50 - 100	100-150	150-200	200-250	> 250	Total
Park visit main reason	75	8	6	2	2	7	100
Park visit one of a number of reasons	70	13	6	3	3	5	100
Park visit no importance/no reason	65	19	6	3	2	6	100

**Hunderfossen Familiepark**

Kilometres	< 50	50 - 100	100-150	150-200	200-250	> 250	Total
Park visit main reason	75	10	3	3	5	4	100
Park visit one of a number of reasons	69	13	7	3	5	3	100
Park visit no importance/no reason	56	17	6	5	4	11	100

**Telemark Sommarland**

Kilometres	< 50	50 - 100	100-150	150-200	200-250	> 250	Total
Park visit main reason	77	6	8	2	0	6	100
Park visit one of a number of reasons	67	17	9	6	0	1	100
Park visit no importance/no reason	46	37	14	1	2	0	100

**Kristiansand Dyrepark**

Kilometres	< 50	50 - 100	100-150	150-200	200-250	> 250	Total
Park visit main reason	71	9	4	3	4	9	100
Park visit one of a number of reasons	68	15	4	1	3	10	100
Park visit no importance/no reason	67	19	5	1	2	6	100

**TusenFryd**

Kilometres	< 50	50 - 100	100-150	150-200	200-250	> 250	Total
Park visit main reason	75	6	11	4	2	2	100
Park visit one of a number of reasons	81	7	4	3	5	1	100
Park visit no importance/no reason	77	12	3	4	0	4	100

Visitors who stated that the park visit was of no importance for choice of accommodation site should in principle be more comparable to excursionists than visitors in the other two categories. They may be considered as excursionists from a temporary residence that is chosen independently of the park location. Using this approach, the figures for Hunderfossen Familiepark and Telemark Sommarland seem to support the conclusion that the holiday and short break destination markets are geographically more limited than the excursionist markets. In the *no importance* segments 73 per cent of the visitors at Hunderfossen and 83 per cent at Telemark Sommarland are accommodated within 100 kilometres of the park. In the excursionist market 56 per cent and 44 per cent, respectively, are found within the 100-kilometre zone.

Such trends are not observed at Kristiansand Dyrepark and Tusenfryd. Unlike the other two parks, *no importance* visitors are not less frequently represented within the 50-kilometre zone than visitors of the other two categories.

Nevertheless, an important conclusion is that the short break and holiday destination markets are more limited geographically than the excursionist market. Certainly the results from two parks suggest this conclusion. However, the conclusion is somewhat overshadowed by the fact that the numbers of excursionists and short break/holiday visitors by driving distance are influenced by the size of the resident and holiday populations, respectively, within each distance interval.

An accurate comparison could only be made if one was able to control the effects of differences in population and holiday population, in other words by looking at relative figures (visitors as a percentage of population) for each distance zone. Such figures are available only for resident population. Data on the total holiday population in the survey period for each distance zone for each park are unfortunately not available.

## **6.6 Market Competition between the Theme Parks**

As previously stated, in spite of (or rather because of) different concepts and attraction identities, the parks attract the same kind of customers. They are nearly 100 per cent domestic visitors, usually being in groups consisting of both adults and children. These market segments also frequent the leisure parks in Denmark and Sweden. The management in all parks state, however, that over time there is little direct competition between the parks.

Another question is to what degree the parks compete with other attractions and different types of leisure activity. This has not been investigated in this project, and to the author's knowledge there is very little information on this subject from other studies in Scandinavia. Generally the parks are primary attractions that to a small degree only directly compete with other attractions in the same region. The total costs of a family visit to a park - which may easily exceed £100 for a family of four - may, however, make a day on the beach the preferred option to a second visit to the park.

It is generally assumed that in the domestic market there is a certain competition as regards the choice of holiday region in Norway (or abroad). In the family's holiday decision-making process the parks participate in the *competition* as major reasons to go to the regions in which they are sited.

### **6.6.1 The excursionist market**

The management statement is partly based on the fact that the parks are located a comfortable distance away from each other (table 19). This implies that there is limited competition in the excursionist market, which can be confirmed by comparing relative numbers of visitors by distance zone (figure 8) and the distances stated in table 19.

**Table 19. Road distances between the parks (in kilometres)**

	Telemark Sommarland	TusenFryd	Hunderfossen
Kristiansand Dyrepark	240	330	500
Telemark Sommarland		180	350
TusenFryd			230

As previously stated (see figure 8 and table 14) the local residents have a remarkably high visit frequency. The exception is TusenFryd, whose proportion of 10 per cent still equals the unofficial, but seemingly well known *rule of thumb* proportion for large attractions near major cities in Europe.

The high figures for the *remote* parks indicate a local identity to the area's flagship attraction reported from the management staff in these parks. Furthermore, they emphasise the parks' position as very important entertainment in their respective local areas. The distance between the parks implies that most excursionist visitors in one park will be short break or holiday visitors if they go to another park in Norway

## 6.6.2 The short break and holiday markets

The park management statement on absence of competition is partly based on the view that the park concepts and particular attractions have a uniqueness that gives each park its own identity. It is also based on the expressed policy (and observed ability) of all parks to develop new attractions within cycles of three to four years.

Indirectly this implies that, if there was only one park in Norway (or in Scandinavia), people would not go to that park every year. There seems to be a pattern that the *family with children* segment *rotates* between the parks. They may visit one, two or three parks a year, every other year also making a holiday visit abroad to see the parks in Jutland, Liseberg in Gothenburg or Tivoli in Copenhagen. Nearly 50 per cent of the survey respondents had recently visited other parks in Norway. Between 20 and 30 per cent had recently visited other parks abroad (in Scandinavia).

**Table 20. Proportion of visitors who have visited other parks 1994 or 1995, by type of trip this visit. Percentage**

	Have visited other parks in Norway				Have visited theme parks abroad			
	Excurs.	Short b.	Holiday	All	Excurs.	Short b.	Holiday	All
TusenFryd	42	76	47	46	31	10	30	30
Hunderfossen	42	50	50	48	20	17	20	19
Telemark S.	58	50	57	55	23	31	24	26
Kr.sand D.	39	54	44	44	28	21	24	25

Nevertheless, there are obviously geographical market overlaps. This can be seen when comparing visitors by distance zone (figures 9 and 10) with distances between the parks (table 19). There is generally a high mobility in the short break and holiday markets. Most people in all visitor markets seem willing to travel to any park. Thus one can make the

assumption that in most potential visitors' decision-making process, at least within a certain year, there are at least two alternatives. Although new major attractions within each park appear only every third or fourth year, there are also some new *eye catcher* attractions presented every year, particularly as regards family entertainment shows.

Over a period of, say, four years, however, the picture may look different. As customer demand is normally limited to two visits per year, and the parks renew their product only every fourth year, one could say that there is a type of horizontal integration in the market. The situation would probably change dramatically (at least for a while) if a fifth major park was established in southern Norway. The market situation implies, however, that there is not sufficient market basis for new parks in southern Norway, unless the market is supplemented by a considerable number of foreign tourists. In other parts of the country, for instance in the Trondheim or Bergen areas, small regional populations, long distances to holiday markets and unstable climate conditions are regarded as severe obstacles for new establishments on the theme park scale.

All in all the impression is that the theme park scene in Norway is subject to competition. There is a limited degree of competition, even in the holiday markets, between four parks which are totally dominant in Norway. The domestic market bears many of the characteristics of an oligopoly, although it is not quite protected from international competition. In the holiday markets there are strong competitors the neighbouring countries. Norway does not have parks that can match the city fairgrounds of Liseberg (Gothenburg) or the Tivoli in Copenhagen, but the Norwegian parks do have particular *domestic* attractions that foreign parks do not have.



## **7. The Tourism Industry in Host Areas**

The large numbers of short break and holiday visitors in the local areas and in the respective regions of the parks indicate that the tourism industry is well developed. This may partly be seen as a result of the parks drawing visitors to their areas; however, a well developed tourism industry has in fact also been an important basis for the parks.

The tourism industry has not been subject to very detailed investigation in this study. The main point has been to give an overview that describes the scale of tourism development in each host area.

### **7.1 General Area Tourism Characteristics**

Hunderfossen Familiepark and Kristiansand Dyrepark are situated in well developed and traditionally popular tourist areas, while the local area of Telemark Sommarland is more remote in terms of tourism. The Lillehammer area and the surrounding mountain regions are well positioned as both summer and winter resorts, benefiting also from the transit traffic on the route between Oslo and the North. The Kristiansand area and the coast-line both further west and north-east have traditionally been a popular region for summer vacations, hosting a large number of camping sites, hotels and private holiday homes. The Bø/Lifjell area surrounding Telemark Sommarland is traditionally better known for ski holiday tourism, as are most of the inland regions of the county of Telemark. These areas, including Bø, are not particular holiday or visiting areas in the spring and summer season compared to the coastal region, although a couple of attractions draw significant numbers of tourists.

### **7.2 Accommodation Capacity and Structures**

The scale and structure of tourism capacity varies from area to area. The Lillehammer area has a central position in the south-north tourist flows and a bed capacity of 5800 in hotels and similar accommodation. The Kristiansand area has just over 2000 and the Telemark Sommarland local area has less than 500 beds (according to NORTRA's 1996 list).

However, the accommodation category *Hotels and similar* is a vague classification that is not fully covered in the public figures. Besides the official numbers of beds and camping facilities there are several small scale operators (camping sites, private holiday homes, cabins/rooms for rent, etc.) that are not registered. Additional accommodation facilities are also found in student houses, holiday centres and tourist lodges not included in the NORTRA list. Near Telemark Sommarland there is for instance a regional university college serving as a summer hotel.

The most common form of accommodation for staying visitors is nevertheless camping. Kristiansand Dyrepark and Hunderfossen Familiepark have their own camp sites, and there is also a large camping capacity in the host area and the region. There are several

camp sites in the nearby surroundings of Telemark Sommarland, and there is also a reasonable capacity in the region.

The total accommodation capacity in the host areas was not investigated in the original theme park study. A good impression of the structure of accommodation may in fact be seen by looking at the distribution of park visitors who were accommodated in the host area (staying visitors) by type of accommodation (table 21).

**Table 21. Number of staying visitors in host area by type of accommodation**

	Hunderfossen Familiepark	Telemark Sommarland	Kristiansand Dyrepark
Hotel and similar accommodation	25,200	29,000	19,700
Camping	34,300	52,100	37,200
Rented holiday home/holiday cabin	15,700	8,200	24,600
Own holiday home/holiday cabin	5,500	3,100	7,100
Friends and relatives	8,100	6,600	18,200
Other	1,000	6,400	2,100

The figures in table 21 confirm that camping is the dominant type of accommodation. About 50 per cent at Telemark Sommarland and about 40 per cent of staying visitors at Hunderfossen Familiepark and Kristiansand Dyrepark stayed at local camp sites. The figures also show that the differences in official hotel capacity (as presented on the previous page) are not reflected in the table. The proportion of visitors using hotel accommodation was 32 per cent in the Kristiansand Dyrepark, and as high as 28 per cent in the Telemark Sommarland area (where the official hotel capacity is much lower). The proportion was only 18 per cent in the Lillehammer area, where the hotel capacity is considerably larger than in the other two areas.

Without further investigation it is difficult to see to what degree there are capacity constraints in the various accommodation categories in any of the areas. An obvious conclusion is nevertheless that all areas traditionally *have* (which is the main characteristic of the context in the traditional holiday areas of Hunderfossen Familiepark and Kristiansand Dyrepark) or *have recently developed* (which to a large extent has happened in the Telemark Sommarland area) a considerable accommodation capacity.

### 7.3 Other Attractions in Host Areas

The local area of Hunderfossen Familiepark has several attractions and activities within a short distance. The Maihaugen openair heritage museum is the most known and visited museum of its kind in Norway. Also the Olympic arenas in Lillehammer, the shopping facilities in Lillehammer, the miniature village Lilleputthammer and a handful of museums in the area draw several visitors, many of whom are also visiting the leisure park.<sup>42</sup>

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42 Dybedal and Engebretsen, 1996, p. 62.

The most important attractions in the area are presented in table 22.

**Table 22. Other attractions in the local area of Hunderfossen Familiepark**

Attraction	Number of visitors	Distance from park
Maihaugen open air folk museum	169,000 <sup>1</sup>	20 kms
Lilleputthammer Miniature City	51,000 <sup>1</sup>	3 kms
Håkons Hall (Olympic Ice Rink), Lillehammer	46,000 <sup>1</sup>	19 kms
Norwegian Road Museum	37,000 <sup>2</sup>	0,4 kms
Olympic Ski Jump, Lillehammer	33,000 <sup>1</sup>	22 kms
Lillehammer Museum of Art	21,000 <sup>2</sup>	18 kms
Aulestad (home of author Bjørnstjerne Bjørnson)	13,000 <sup>2</sup>	30 kms

<sup>1</sup> 1995. <sup>2</sup> 1996.

Source: Norwegian Tourist Board and Vaagland (1997).

**Table 23. Other attractions in the local area of Kristiansand Dyrepark**

Attraction	Number of visitors	Distance from park
Setesdal Mineral Park, Evje	78,000 <sup>2</sup>	65 kms
Kristiansand Artillery Museum	9,000 <sup>2</sup>	10 kms
Ravnedalen Nature Reservation	n.a.	15 kms
Setesdal Ancient Railroad	n.a.	20 kms
The County Museum	n.a.	10 kms
Sea sightseeing trips	n.a.	10 kms
Sesame Train, Kristiansand	24,000 <sup>3</sup>	10 kms

<sup>1</sup> 1995. <sup>2</sup> 1996. <sup>3</sup> 1997.

Source: Norwegian Tourist Board.

In Kristiansand there are few attractions with any significant visitor numbers, mostly minor museums (table 23). There is evidently no man-made *number two* attraction in the area. One possible exception is the Mineral Park 60 kilometres north of Kristiansand, which has reported visitor numbers approaching 100,000. The tourism concepts of the area (besides the theme park) are characterised by typical coastal resort holiday activities like swimming and fishing, the picturesque villages and scenery of the region.

The host area of Telemark Sommarland has few other attractions, of which only the Telemark Canal with its many locks and its offered boat trips draw a substantial number. The summer tourism concept is by and large dominated by the theme park, at least as regards domestic tourism. As may be observed from table 24, most other attractions are situated well outside the host area.

**Table 24. Other attractions in the local area of Telemark Sommarland**

Attraction	Number of visitors 1996	Distance from park
Telemark Canal	96,000	26 kms
Telemark Lekeland (amusement park), Skien	61,000	55 kms
Skjærgården Badepark (Indoor waterland)	61,000	90 kms
Heddal Stave Church	42,000	45 kms
The County Museum of Telemark	32,000	60 kms
Norsk Skieventyr (Ski museum)	37,000	52 kms

Source: Norwegian Tourist Board.

The overall impression is that the peripheral theme parks face little local competition from other attractions in their respective areas. There are few other man-made (or fee charging) attractions inside the host area (Telemark and Kristiansand), or there are attractions that complement the theme park rather than competing with it (Hunderfossen Familiepark).

The size of the tourism industry and the clustering of attractions in Oslo means that Tusenfryd is placed in a context that is quite different from the other parks' tourism industry contexts. Regarding the excursionist market, which is the dominating market for Tusenfryd, the park faces strong competition particularly from the various entertainment activities in Oslo.

Regarding the short trip and holiday markets, the park is so far only a medium attraction. It faces competition from a variety of important tourist attractions in and around the centre of Oslo, like the Vigeland Sculpture Park, The Viking Ship Museum, the Holmenkollen Ski Jump and others.

## **8. Local Impacts of the Case Parks**

In this study, economic impacts are mainly discussed in terms of the value of visitors' expenditure in the host areas. Some indications are given about the distribution of expenditures on different types of goods and services. Where tourism development is concerned, demand for accommodation and other activities and attractions than the flagships are essential measures. Hence, an overview of the number of guest nights generated and the demand for other attractions in the respective areas is also presented in this analysis.

The estimation results presented here are, according to the model presented in chapter 3, concentrated on the expenditures attributable to the park. That is the expenditures of visitors who come to the park area (host area) because of the park. According to the model, we shall first present results on the following sub-variables:

- Numbers of visitors by type of trip.
- Visitor additionality factors for each trip category.
- Expenditures per day per visitor in the host area.
- Number of overnight stays in the host area per visitor.

The economic impact estimations will then be presented on the basis of equation (2) in chapter 3.3.1.

### **8.1 Expenditures in Host Areas**

#### **8.1.1 Visitors by trip category**

Expenditures in the host area are obviously higher for visitors who stay in the host area than for visitors who stay in other areas. They may also be different for visitors who are on holiday than for visitors who come directly from their permanent residence. For excursionists expenditures depend on the travel distance between residence and park. To examine economic impact, it is necessary to split the visitors into the following categories:

1. Staying visitors - visitors accommodated in the host area for a minimum of one night;
2. Day visitors - visitors on holiday, accommodated outside the host area;
3. Excursionists - from residence outside host area;
4. Local residents.

In the expenditure estimations, excursionists are further divided into visitors who live less than 100 kilometres from the park (but outside the host area) and visitors who live more than 100 kilometres from the park.

Local residents (already living inside the host area) by definition do not have any off-site expenditures (see chapter 3.3.1) that are attributable to the park. Hence this category is not included in estimations of off-site expenditures.

Because of the relatively restricted area defined as the local area, there are fairly few local visitors to the parks (except for TusenFryd). There are also relatively few other excursionists. The majority of visitors are in fact people who are on a trip including overnight stays. In the three flagship parks, about three-quarters of the visitors are people on a short break or holiday trip. More than half of these visitors (between 55 and 65 per cent) are staying visitors, which - according to the survey - means that they spent the night *before* the park visit in the host area. The exception to this picture is TusenFryd, because of its urban location. Only one third of the visitors were people on holiday.

**Table 25. Visitors by type of trip by park. Percentage**

	Staying visitors	Day visitors	Excursionists	Local residents	Total number
Hunderfossen Familiepark	43	32	19	6	211,800
Telemark Sommarland	48	27	22	3	207,600
Kristiansand Dyrepark	38	33	11	18	296,700
TusenFryd	19	17	38	25	223,800

Once the number of visitors in each category is known, the next step is to find out the proportion of visitors in each category whose visit to the area is attributable to the park.

### 8.1.2 Visitor additionality

The visitors who stated that the park visit was their main reason for coming to the area are counted as the *attributable visitors*. They are found in all visitor categories coming into the area (table 26). Visitors who stated that the park visit had *some importance in choice of trip destination* are not taken into any visitor additionality account.

The additionality factors are relatively high, reaching more than 80 per cent for stay visitors at Telemark Sommarland and just above 50 per cent at the two other *remote* parks. As expected, additionality is relatively low for TusenFryd, except for excursionists (where high additionality in fact should be expected). A survey of visitors to various tourist areas in Telemark in 1994<sup>43</sup> shows that 90 per cent of the visitors to Bø (the local area of Telemark Sommarland) had visited or intended to visit the park. Combining this with the additionality factor among those who visited the park, this indicates that two out of three of *all* visitors to the area came there because of the park. Corresponding figures for the other areas are not available.

The reliability of the estimated additionality factors should be discussed, in view of the design of the survey questionnaire which the respondents the choice between three categories: *main purpose for trip*, *some importance* and *no importance*. Different results could have been obtained if for instance the somewhat more absolute question *would you have taken this trip to the area if the park had not existed?* had been asked.

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43 Øy, 1995.

**Table 26. Visitors attributable to park. Numbers and per cent additionality**

	Staying visitors		Day visitors		Excursionists	
	Numbers	additionality	Numbers	additionality	Numbers	additionality
Hunderf. Familiepark	47,900	53 %	29,000	43 %	28,600	71 %
Telemark Sommarland	80,500	81 %	36,300	64 %	35,100	72 %
Kristiansand Dyrepark	57,200	51 %	43,500	44 %	20,900	64 %
TusenFryd	10,800	25 %	8,300	21 %	45,900	54 %

Intuitively, one would assume that if that way of examining this matter had been used in the survey, the result may have been lower additionality factor estimates. Under all circumstances, the estimates are vulnerable and should be handled with care.

### 8.1.3 Expenditure data and estimation

The total figures for on-site visitor expenditure were supplied by the management of each park. Estimation of off-site expenditures was, however, more complicated because the park survey did not include questions on such expenditures. Data had to be collected from external sources, and the main source was an independent survey of foreign and domestic tourists' individual expenditures in Norway in 1995.<sup>44</sup> This survey includes data for visitors to the Lillehammer area (location of Hunderfossen Familiepark), and these data were assumed appropriate also for the areas of two of the other parks (Telemark Sommarland and Kristiansand Dyrepark). This implies that local variations in individual expenditures could not be taken into account. For TusenFryd expenditure data for urban areas, which were specified in the expenditure survey, were used.

The expenditures were broken down by product groups and by type of accommodation. The survey did not, however, distinguish between expenditures on and off attraction sites. Furthermore, the place of expenditure was not recorded, and only staying visitors (who spent the night before the interview in the area) were included in the survey population. Therefore, some assumptions had to be made to transform the individual tourist expenditure figures into park visitors' off-site expenditures, and to establish reasonable estimates for day visitors' expenditures inside the host areas.

The survey recorded attraction entrance fee expenditures as rather low, indicating that the proportion of respondents who visited the park (Hunderfossen Familiepark) the day they were interviewed was low. This may initially be seen as an advantage because park visitors could not affect the results, although the survey was undertaken in an area with a flagship attraction. Hence the expenditures could still be considered as reasonable averages for tourists in general. The question was then to what degree park visitors' total daily expenditures outside the park are different from the average tourist's expenditure. The

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44 Haukeland and Grue, 1996.

assumption was made that, considering the average number of hours spent in the park per visit, the park visitor's off-site expenditure was estimated to be:

- equal to half the average tourist's expenditure on food and beverages and souvenirs (the other half assumed spent inside the park); and
- equal to the average tourist's daily expenditure on transport, groceries, accommodation, etc.

All staying visitor expenditure was assumed to occur inside the host area.

As regards day tourists (excursionists), it was assumed that the area consumption of food, soft drinks, souvenirs, etc. was the same as for staying visitors (per day). A small deduction was made for excursionists living less than 100 kilometres from the park in respect of catering consumption. Transport expenditure was estimated as one full tank (50 litres) of petrol per car; however, the proportion of visitors assumed to fill petrol inside area was set at between 15 and 25 per cent, depending on travelling distance. It was also assumed that there would be four persons per car. No accommodation costs were counted.

For local visitors (those living inside the host area), no off-site expenditures were considered. The expenditure survey supplied data on expenditures per day per visitor, by type of expenditure and by type of accommodation. The on-site expenditures are all included in the parks' revenue figures. The off-site expenditures per day per visitor in each category were estimated to be as shown in table 27. The estimation principles and assumptions are described in detail by Engebretsen and Dybedal.<sup>45</sup>

**Table 27. Visitors' off-site expenditures per day within each park's local area, NOK**

Item	Staying visitors <sup>1</sup>	Day visitors	Excursionists <sup>2</sup>
Accommodation	80	0	0
Transport (incl. car petrol)	35	35	21
Food and beverages	40	20	18
Shopping and souvenirs	95	20	20
Activities, other attractions	14	8	8
Miscellaneous	21	0	0
Total	285	83	67

1 Expenditures for staying visitors were estimated separately for each accommodation category and then grossed up. Accommodation costs varied from zero (relatives, own holiday home, etc.) to 215 (hotels and other).

2 Estimated separately for excursionists living less than 100 kilometres and more than 100 kilometres away from the park, respectively.

The differences between staying visitors' and (the indirectly estimated) other visitors' expenditures seem reasonable, taking into account the length of stay in the parks. Visitors spend on average around five hours in the park, leaving relatively little time to other activities in the area for day visitors. It may also be assumed that park visitors undertake a certain proportion of their food and beverage spending in the area inside the park.

45 Engebretsen and Dybedal, 1996, pp. 79-84.

### 8.1.4 Length of stay in host area

The length of stay (number of days in local area) of staying visitors varies by type of accommodation. In hotels, motels, etc. park visitors stay about two nights. With camping and staying with friends and relatives, the average is roughly three nights, and with owned or rented holiday cabins the average is three to four nights. The average number of nights spent in the host area for visitors attributable to the attraction is presented in table 28.

The average stays for all attributable visitors accommodated in the host area were 2.2 nights in the Hunderfossen area, 2.7 in Telemark Sommarland area and 3.2 nights in the Kristiansand area. The differences partly reflect the fact that the parks have different proportions of short break visitors, base holiday visitors and round trip holiday visitors (see table 13). Kristiansand Dyrepark has for instance a larger proportion of base holiday visitors and a smaller proportion of short break visitors than the two other parks.

**Table 28. Average number of overnights spent in host area by type of accommodation**

	<b>Hunderfossen Familiepark</b>	<b>Telemark Sommarland</b>	<b>Kristiansand Dyrepark</b>
Hotel and similar accommodation	1.86	2.37	2.35
Camping	2.34	2.88	2.96
Rented or own holiday home/holiday cabin	2.56	3.24	4.19
Friends and relatives	1.59	2.80	2.97
Other	2.76	2.79	4.14
Total	2.24	2.74	3.21

Note: Average length of stay at TusenFryd could not be estimated for each type of accommodation. Total average is 2.2 nights.

### 8.1.5 Estimated impacts: visitor expenditure additionality

Before estimating total attributable expenditures, the visitor numbers have to be adjusted for multi-visits (two or more visits on the same trip) among staying visitors in the host area. In some of the parks a relatively high proportion of multi-visits was recorded. In Telemark Sommarland, 20 per cent of staying visitors come into this category; among visitors who spent three or more nights in the area, the proportion was 32 per cent. In Kristiansand Dyrepark the figures were 17 per cent and 23 per cent, respectively. In Hunderfossen Familiepark and TusenFryd these percentages were low, 7 and 3 per cent, respectively for all staying visitors.

The local impacts of the parks in terms of expenditure additionality can now be derived for each visitor category from the numbers of attributable visitors (reduced by proportion of multi-visits) and the daily expenditures and length of stay for each type of accommodation (table 29).

The visitor expenditures, particularly the off-site expenditures, are less correlated to the total number of visitors. A comparison of the figures in tables 26 and 29 clearly illustrates

this. The important features are the proportion of staying visitors and the additionality factors (proportions of visitors who came to the area because of the park). At the upper end of the scale one finds Telemark Sommarland, which has the highest proportion of staying visitors and the highest additionality factor. At the other end there is TusenFryd outside Oslo, with a large number of excursionists living in the host area and low additionality factors among the other visitors. One could say that, in terms of impacts, the park is *suffering* from having a strong local market and being situated in the capital area of Norway, implying many visit purposes.

**Table 29. Visitor expenditure additionality. Total expenditures in local area, by visitor category and park. Period 19 June - 13 Aug. 1995, millions NOK**

Visitor category	Hunderfossen	Telemark S.	Kr.sand D.	TusenFryd
Staying visitors	28.9	50.5	41.7	8.2
Day visitors (on holiday trip)	1.6	2.4	2.7	2.1
Excursionists (from residence)	1.9	2.5	1.2	1.1
<b>Total off-site expenditures</b>	<b>32.4</b>	<b>55.4</b>	<b>45.6</b>	<b>11.4</b>
On-site expenditures - all park visitors	39.4	32.4	61.4	48.1
<b>Total</b>	<b>71.8</b>	<b>87.8</b>	<b>107.0</b>	<b>59.5</b>
<i>Total number of visitors</i>	<i>211,800</i>	<i>207,600</i>	<i>296,700</i>	<i>223,800</i>

Some final comments should be made about the choice of geographical area for studies of economic impacts. The estimates of visitor additionality and attributable expenditures must be seen in the context of the relatively small local areas defined for the analyses. It may seem from the case studies that a remote area like that of Telemark Sommarland is the *best* choice for a new major attraction, which is evidently too narrow a conclusion. Firstly, visitors may have travelled to the local area because of the park, but may not necessarily have travelled to the region for the same reason. Generally, the larger the area considered, the less the relative pull effect of a single attraction. Secondly, neither benefits for tourism enterprises outside the local area nor expenditure displacement in surrounding areas are taken into account in this study. One should be aware of the problem that the size and nature of economic impact depend on how the *local area* is geographically defined.

## 8.2 Generation of Guest-nights and Attraction Visits

### 8.2.1 Guest nights

During the estimation process, the number of guest nights in various types of accommodation have indirectly been presented through the staying visitor numbers and the average length of stay in the area. By combining these two variables, figures can be presented for guest nights in host areas generated by the existence of the park. As in the expenditure estimations, the figures are adjusted for multi-visits to avoid double counting of guest nights. Table 30 shows the numbers of guest nights generated by the park by type of accommodation.

**Table 30. Number of guest nights in host area by type of accommodation. Visitors who stated that park visit was main reason for coming to the host area**

	Hunderfossen Familiepark	Telemark Sommarland	Kristiansand Dyrepark	TusenFryd
Hotel and similar accommodation	25,000	48,500	25,000	-
Camping	40,500	95,000	58,000	-
Rented holiday home/holiday cabin	23,500	17,000	52,500	-
Friends and relatives	3,000	4,500	8,500	-
Other	8,000	15,000	9,000	-
Total	100,000	180,000	153,000	22,000

Table 30 indicates that there are substantial numbers of guest nights generated by the peripheral parks in their respective host areas. The importance of TusenFryd is minor in this respect. Figures may not be estimated for each accommodation category, but of approximately 22,000 guest nights 17,000 are estimated to be spent in paid accommodation. The rest were spent with friends or relatives.

The relative importance of the parks may unfortunately not be estimated because data on total number of visitor guest nights in the respective host areas are not available.

## **8.2.2 Visits to other attractions in host areas**

The previous presentation has shown that the three peripherally located parks are all attractions that may be classified as flagship attractions. The number and scale of other attractions near these parks vary (see chapter 7.3). There are few other commercial attractions within the host areas of Telemark Sommarland and Kristiansand Dyrepark, but there is a variety of medium-scale attractions in the Lillehammer area, which is the host area of Hunderfossen Familiepark.

The observed demand for other attractions at each park is assumed to be interrelated with several other variables. To what degree the park visitors visit other attractions is obviously dependent on the number and quality of attractions offered in the park areas and how these attractions match the market segments of the park. It is also dependent on the length of stay in the area, which in turn may be influenced by the park concept, the tourism industry - and the other attractions offered. Nevertheless, it is interesting to see the effects of the respective parks on the neighbouring attractions to give an impression of possible competition, synergy or spill-over effects.

Table 31 gives a general view of the park visitors' use of other attractions in the neighbouring areas of the three peripheral parks. The table is based on the number of respondents who have visited at least one of the attractions specified in the questionnaire. The figures include all visitors to the parks, not only the visitors attributable to the park.

**Table 31. Proportion of visitors visiting other attractions in host areas by type of trip. Percentage**

	Excursion from resid.	Short break trip	Base holiday of 3 nights or more	Round trip holiday
No attractions visited	89	69	60	64
1-2 attractions visited	8	26	29	29
3 or more attractions visited	3	5	11	7
Total	100	100	100	100

As expected, few excursionists visit other attractions. Number of visits at other attractions increase by length of trip. Among short break visitors there are about 30 per cent who visit other attractions in the host areas. Among people who are on a holiday trip, the equivalent figures are 36 for visitors who are on a round trip holiday and 40 per cent for people who are on a base holiday trip.

Table 32 shows visit frequencies for visitors in each park. The figures include all visitors to the parks, and are based on an open question about whether the park was the only attraction visited during the trip. The possibility that answers may include attractions outside the host areas is assumed to be the main reason why the figures (for instance for excursionists) seem to be higher than the average recorded in table 31.

The highest figures are found for Hunderfossen Familiepark and TusenFryd. This may be explained by the observation that the attractions there are more developed in numbers, scale and variety than at the two other parks.

**Table 32. Proportion of visitors visiting at least one other attraction during the trip by type of trip. Percentage**

	Excurs. from residence	Short break trip	Base holiday	Round trip holiday	Total
Hunderfossen Fam.	21	67	81	65	58
Telemark Sommarl.	14	21	42	39	28
Kristiansand D.	29	15	24	23	24
TusenFryd	20	41	49	51	31

When comparing markets for attractions within a specified area, there are three different effects that may be of particular interest. Firstly, whether attractions are competing for the same customers. Secondly, whether major attractions draw visitors that also smaller attractions may benefit from (spill-over). The third type of effect is synergy, which occurs when the drawing power of attractions is greater than the sum of the individual powers.<sup>46</sup> Of these three types, spill-over is the most direct effect concerning impacts. However, synergy effects may also be seen as an impact issue when the attraction in question is stated as the most important reason for coming to the area.

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46 Wanhill 1996a, p. 10.

Where visitors who came for other main purposes than attraction visits are concerned, there are competition effects, but naturally no spill-over effects from any attraction. There may also be some synergy effects, that to some extent may be counted as impacts of the park.

As for visitors who come because of one specific attraction (additionality), there may be spill-over effects but no competition effects. Additionality may, however, sometimes be confused with synergy effects. At destinations with a cluster of attractions, the real reason for coming to an area may be the variety of attractions, although the major attraction may be the most important single reason. On this matter, the formulation of the visit motivation question in the theme park surveys may not be precise enough. By using the term *main reason for coming to the area* synergy effects may not be excluded among what we have called *attributable* visitors.

Regarding the question of spill-over effects, figures for attraction visits corresponding to those in table 32 among attributable visitors show that these visitors also to a large extent visit other attractions in the area. At Hunderfossen Familiepark 44 per cent of the attributable visitors visited at least one other attraction. The corresponding figure for Telemark Sommarland was 27 per cent, for Kristiansand Dyrepark 19 per cent and for TusenFryd 19 per cent.

Table 33 shows the estimated numbers of visitors in the peripheral parks who have also visited specified attractions in the host area or in nearby areas.

In the Lillehammer area there seem to be considerable spill-over effects for the smaller attractions. There may also, however, be certain synergy effects emerging from the cluster of several different activities found in the area. Total visitor numbers are available for Maihaugen (169,000 in 1995) and The Norwegian Road Museum (37,000 in 1996) only. It is assumed that the number of park visitors who visit the other attractions also constitute substantial proportions of the total visitor numbers at the other attractions listed in table 33.

In the Kristiansand Dyrepark and Telemark Sommarland areas there are evident spill-over effects, but to a smaller degree than in Lillehammer. The visitor number figures in table 33 do not, however, reflect the relatively large proportions of visitors in these parks who stated that they were also visiting other attractions. One explanation for this is that there are several other minor sites and activities inside and outside the host areas that the respondents may have taken into consideration when asked.

**Table 33. Number of park visitors (000s) visiting other attractions in host area or region**

<b>Hunderfossen Familiepark</b>		<b>Telemark Sommarland</b>		<b>Kr.sand Dyrepark</b>	
Maihaugen Folk Museum	43	Telemark Waterway	31	Mineral Park, Evje *	15
Winter Olympic Park	60	Ski Museum, Morgedal	6	Sea sightseeing trips	8
Lilleputthammer miniature town	54	Skjærgårdsparken Indoor Waterland, Langesund *	6	Ravnedalen Nature Reservation	14
Norwegian Road Museum	24	Industrial Workers' museum *	4	The Artillery Museum	10
Lillehammer main street	67			Setesdal Railroad	7
Olympic bobsleigh course	31			The County Museum	5

\* Located outside host area.

In Kristiansand there are assumed to be considerable synergy effects between the park and the traditional holiday activities of the region. The existence of these attractive elements reduces the relative importance of the park as a tourist pull factor, but in combination with a park visit these activities seem to constitute a very popular holiday concept. In the area of Telemark Sommarland there are few attractions and virtually no of synergy effects.

## **9. Concluding Summary**

### **9.1 The Problem and the Approach**

This study does not aim to answer the question of whether it is good or bad policy to locate theme parks in peripheral areas. A more indirect approach is chosen: to focus on large attractions like theme parks and their potential as an instrument for local and regional development. The objective is to produce relevant knowledge on the possibilities for healthy businesses, and on how and to what degree local development may be achieved from the establishment of a large attraction. The study approach is a combination of two complementary elements rather than a traditional theoretical/empirical approach. Nevertheless, the two elements are a general discussion on theories and experiences and a set of case studies. The case studies are based on visitor surveys in the four Norwegian leisure parks which both by scale and by what they offer may be classified as theme parks.

Besides producing general knowledge on theme parks and flagship attractions, the general discussion provides a necessary framework for utilising the material from the case studies.

A basic assumption emerging from this framework is that the empirical analysis should focus on the factors behind the drawing power. These factors may be roughly categorised as characteristics of the attraction itself (*conceptual requirements*) and characteristics of the markets, the host area, and the tourism industry of the host area and the region. In other words, one should apply an organisational perspective, where the role of an attraction is seen in the context of both the characteristics of the attraction itself and of its spatial and functional surroundings.

The case studies comprise three parks that clearly may be classified as peripheral. The fourth park is situated outside the capital city of Oslo. Although the original methodology and approach behind the Norwegian theme park surveys was relatively simple, the case studies provide the necessary dimension to complement the general approach. They illustrate well most essential issues of peripherally located flagship attractions, for instance how it is possible to attract a sufficient number of visitors and how the different spatial and functional contexts influence local economic impacts.

### **9.2 Theme Parks and Markets in General**

The theme park sector has been rapidly growing in the USA (from where the term originates) and in Europe. Most major parks are located in densely populated areas to attract the day visitor (excursionist) market and/or in areas where a well developed tourism industry - often including other major attractions - provides potential markets and tourism facilities for attracted visitors.

The theme park concept has also been adapted in more sparsely populated areas, although on a smaller scale than is observed at the major parks of for instance the UK, Germany or France. The major parks in the central areas of these countries (and also in countries like Belgium, Holland and Spain) normally have visitor numbers of one million or more, while the Scandinavian parks with few exceptions draw fewer than 500,000 visitors annually.

Obviously the safest way to success and business viability is a combination of large local markets, large holiday markets and a strong drawing power. On the other hand, where a local or regional tourism industry is less developed, the establishment of a major attraction opens new perspectives for local and regional development. The idea is that such an attraction will have a drawing power that generates new tourism traffic to an area. The flip side of the coin is, however, that the attraction is also totally dependent on this drawing power to compensate for the absence of sufficient local or regional markets to survive as a commercial enterprise.

### **9.3 Scandinavian Theme Parks and Their Markets**

In the Scandinavian countries there are few parks that can rely on the excursionist markets. The exceptions are the traditional fairgrounds of the major cities Stockholm and Copenhagen, although substantial proportions of visitors in these parks are tourists.

Theme parks in peripheral areas obviously have to be based on tourism. One model is to exploit established tourist markets in the region of the park, attracting day visitors from their holiday residence. Another model is to develop parks that by their own drawing power are able to compensate for insufficient market potential in the existing excursionist or holiday markets.

The general picture in Scandinavia is that a symbiosis (a reciprocal action) of existing holiday markets and the park's drawing power is the most common market basis. The individual drawing power is a necessary but not sufficient condition for business viability. This model is also the case for the Norwegian parks. The three peripheral parks all have a good product to offer their visitors, who primarily come from the domestic family market. The parks have the necessary attractions, identity and marketing that make them primary attractions both locally, regionally and nationally. They are also located in or near the most important domestic tourism regions. This implies that their markets are founded both on their drawing power and the existence of traditional holiday and short break markets within driving distance. All three parks have relatively small local markets, but are still situated within day trip driving distance from some of the most densely populated areas in Norway. The parks appeal to the domestic market only, and the population of Norway just exceeds four million residents. Therefore, it is essential that the peripheral park draws visitors more or less from the whole country. This in turn means that they have to rely on both excursionist, short break travellers (1-2 nights) and people on holiday. Roughly, the park visitors consist of equal proportions of excursionists, short break visitors, base

holiday visitors and round trip holiday visitors. At the urban park, however, two thirds of the visitor numbers are local residents and excursionists from nearby regions.

## **9.4 Drawing Power and Geographical Markets**

An essential question is how far the different geographical markets reach. The population numbers in each distance zone from the parks show strong variations (particularly depending on the distance from the densely populated Oslo area), which have quite an influence on the absolute number of visitors from each distance zone. In all respects, particularly for generalisation purposes, the most relevant measure is the relative number of visitors (visitors as a percentage of population) within each distance zone.

The excursionist market stretches as far as 200 kilometres. The relative number of excursionist visitors drops considerably when the driving distance is more than 100 kilometres from the park. In the short break markets the relative numbers are highest among residents living between 100 and 350 kilometres from the park. The holiday market starts at about 200 kilometres from a park, but in fact it stretches out far beyond the 500 kilometre mark, confirming the national appeal of the parks.

The absolute number of visitors is the product of the relative number and the number of residents within each distance zone. Although the parks draw considerable numbers of holiday visitors, this should evidently not be interpreted as if distance did not matter - that holiday markets would compensate for excursionists and short break travellers if there were few inhabitants within 300 kilometres from the park. An interesting point, however, is that the urban park does not draw more visitors than the other three parks. This may indicate that holiday and short break markets may compensate for reduced excursionist potential, but it may also be the result of better family holiday concepts at the peripheral parks. Furthermore, one should not overlook the fact that many of the peripheral parks' holiday visitors live relatively close to the urban located park and thus belong to the excursionist market of that park.

In any event, a major conclusion is that it is of huge importance that all parks are situated in the south or southeastern parts of Norway. This on the one hand implies that roughly three million people (three-quarters of the Norwegian population) are living within a distance of 500 kilometres. It also implies that there is a population basis in each distance zone that provides the possibility of exploiting opportunities in both excursionist, short break and holiday markets.

The drawing power (which may be expressed as visitor additionality) is relatively high in the three parks. This is crucial for their existence, but it also indicates the parks' high importance for local tourism. At Telemark Sommarland, which is the most remote park (in terms of tourism development), 81 per cent of visitors staying in the host area (staying visitors) and 64 per cent of day visitors (holiday or short break visitors staying in another area) were additional. At the two other peripheral parks, Hunderfossen Familiepark in

Lillehammer and Kristiansand Dyrepark, the corresponding figures were just over 50 per cent for staying visitors and 44 per cent for day visitors. The urban park (TusenFryd outside Oslo) has far from the same drawing power (25 % for staying visitors and 21 % for day visitors). This is mainly because of the variety of other motives for visiting Oslo (other attractions, friend and relatives, etc.). The number of staying and day visitors is also much lower because the visitors are largely local residents.

## **9.5 Economic Impacts**

Strong drawing power and a high proportion of staying visitors are highly important factors for local economic impacts. Impacts are measured for a defined host area consisting of the local and the neighbouring municipalities of the park. In this study these are simply measured by the on-site (inside park) and off-site (outside park) expenditures. The principal estimation model of the study defines the individual off-site expenditures as a function of type of visitor (staying, day or excursionist from outside host area), type of accommodation and length of stay in host area. Expenditure displacement issues are discussed, but not taken into account.

The on-site expenditures are counted for all visitors, and the off-site expenditures are counted for all visitors who have stated that they came to the host area mainly because of the park. In all three parks more than 90 per cent of the revenues earned by local businesses outside the parks came from staying visitors (spending at least one night in the area).

For the four parks there are varying attributable expenditure results. Telemark Sommarland had 208,000 visitors in the school holiday season of 1995. There was an estimated number of 180,000 guest nights in the host area and off-site expenditures of 55 million NOK by park attributable visitors. At Hunderfossen Familiepark there were 212,000 visitors, 100,000 guest nights and off-site expenditures of 32 million NOK. At Kristiansand Dyrepark there were 297,000 visitors, 153,000 attributable guest nights and 46 million NOK off-site expenditures. At TusenFryd there were 224,000 visitors, 22,000 guest nights and 11 million NOK in off-site expenditures attributable to the park.

The off-site expenditures are only indirectly influenced by the total visitor numbers. The important factors are the visitor additionality factor and the proportion of staying visitors. A major conclusion is that there are definitely contextual differences, particularly regarding the scale of tourism and the region's stage of tourism development, that may explain the variations in visitor additionality, numbers of staying visitors and volumes of attributable expenditures that appear between the parks. This is particularly evident for the urban park TusenFryd. But reasons for impact variation between Telemark Sommarland, Hunderfossen Familiepark and Kristiansand Dyrepark may also be traced to contextual differences.

Telemark Sommarland has considerably higher attributable off-site expenditures, both in absolute terms and relative to total park revenues, than the other peripheral parks. The chief explanation for this is that Telemark Sommarland is more dominant within its local area than the other parks with respect to tourism. The high proportion of staying visitors reflects the park's location outside traditional summer holiday areas, and the fact that accommodation capacity has to a larger extent developed from the existence of the park itself. This has resulted in a relatively strong concentration of the region's accommodation capacity in the nearby surroundings of the park.

The high additionality factor among staying visitors is a result of the fact that there is no other attraction or activity in the local area of Telemark Sommarland with any comparable pull effect. At Lillehammer there is a larger variety of attractions, while in Kristiansand the general summer holiday activities like swimming and fishing are believed to be of major importance for holiday tourism. The higher expenditures estimated for the Kristiansand Dyrepark area compared to Hunderfossen Familiepark seem to be merely a consequence of the former's higher total visitor numbers, although the tourism context and the market of people on holiday are relatively different. For example, there are longer individual stays among visitors at the former, but there is a higher proportion of visitors using cheap accommodation - staying with friends and relatives or in rented or owned holiday homes.

The higher off-site expenditures at Telemark Sommarland compared to Hunderfossen Familiepark are to some extent the result of Telemark Sommarland's waterland concept, which is believed to be the main reason why visitors stay in the area some 25 per cent longer than in the area of Hunderfossen Familiepark.

## **9.6 Closing Comments**

The case studies reveal that theme parks may be successfully established in peripheral areas. The Norwegian peripherally located parks attract large numbers of new visitors to their local area, making them flagship attractions, and so they contribute considerably to local tourism development and local incomes. They draw visitors from large areas, hence they are successful despite the fact that the regional population numbers are low.

The highest impact in terms of expenditure in the local area that is attributable to the attraction is recorded where a local accommodation industry is developed alongside that attraction. Visitors who stay in the area have a much higher expenditure inside the area than other visitors. Telemark Sommarland is an example of this type of tourism development, where considerable accommodation and catering capacity have been established along with the development of the park.

The other two flagship parks in the study are also examples of attractions that create new traffic which leads to the establishment of new tourism enterprises in their respective areas. But they benefit more from an already well developed tourism traffic in both the

local area and in the surrounding areas. They are also benefit more from a large tourism traffic passing through the area.

To reach the position of being a local and regional power for tourism development, however, it is required that a park have an attractive force that reaches nation-wide. The park must be *within reach* for substantial numbers of *both* excursionists and short break travellers *and* people on holiday. The park must also *attract* substantial numbers of visitors from each group. It can hardly manage this unless it is located fewer than 300 kilometres from the densely populated areas *and* in or near one of the main holiday regions for the domestic markets. To be an attraction of national importance, the park concept must be unique and the park large enough to offer the necessary variety of attractions, entertainment and experiences.

In sparsely populated countries like Norway the market requirements imply that there are few locations that are suitable except where parks are already established. The excursionist market is found within 200 kilometres from the park and the short break market within 350 kilometres. The holiday traveller market comprises more or less the whole country, but can only be exploited to the full extent if the park is situated in an already popular holiday area.

An important message to both entrepreneurs and policy makers (public authorities and public finance institutions) is that it takes considerable investments to make new flagship attractions in peripheral areas. Talking about attractions with annual attendances of at least 200,000, theme parks constitute the few examples of new flagship attractions that have proved to be successful in Norway. A large theme park is possibly the only type of *new* attraction that may reach the status of a flagship in peripheral areas.

The four theme parks - each one with its own identity and uniqueness - seem to have succeeded by filling a gap in the domestic tourism and leisure markets, while a few other attempts have failed. The four parks are all situated in the most densely populated part of Norway, the south and south-east. The three parks that are found in peripheral areas are nevertheless located at least 240 kilometres away from each other, and at least 180 kilometres away from the park in the Oslo area.

This study, like other previous studies, draws the conclusion that there is a very limited number of theme parks which may be financially viable in regions or countries where the population is small. There should only be a limited geographical overlap with other parks in the excursionist and short break markets if the park is to obtain the necessary number of visitors.

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