



## Keio Business School

# Establishing the Moomin theme park in Japan

### Introduction

It was late May 2015 when the Chairman of FinTech Global Incorporated <sup>[1]</sup> (FGI) Robert Hirst sits down in his office at Toranomon Towers Office in Tokyo. About two years earlier Robert had agreed to become the CEO of the Moomin Monogatari Ltd. with the purpose of establishing the theme park featuring Moomins in Japan.

Robert leans back on his leather chair and recalls how Moomin Monogatari was established in November 2013 by FGI and the Finnish playground manufacturer Puuha International Oy <sup>[2]</sup> (Puuha). Originally FGI and Puuha contributed 50% of the equity capital each to establish the company <sup>[3]</sup>. However, later, FGI raised its equity stake to 75% through additional investment in Moomin Monogatari <sup>[4]</sup>. Robert knew well that FGI's additional investment was essential to move the project forward.

Robert recalls the times when Moomin Monogatari was established: he signed an exclusive licensing agreement with Sweden's Bulls Presstjänst AB, the exclusive global agent for copyright-holder Oy Moomin Characters Ltd. The agreement allowed the use of the Moomin characters for a theme park, and allowed FGI to embark on preparations for the theme park business in Japan. Furthermore, to

<sup>[1]</sup> FinTech Global Incorporated is a boutique investment bank that supports corporate growth and regional community development. The company is involved in financial arrangements and other vehicles to support healthcare facilities and also invests in companies with distinct capabilities in such business fields as theme parks, life science, real estate and food products. The company was founded in 1994 and is based in Tokyo, Japan.

<sup>[2]</sup> Puuha is a manufacturer of playground equipment, outdoor furniture and sports equipment. In 2011, Puuha made a contract with Bulls Presstjänst AB, which represents Moomin, and based on this contract Puuha has a license to design and manufacture Moomin playgrounds.

<sup>[3]</sup> <http://www.fgi.co.jp/archives/002/201311/529328f7d6c81.pdf>

<sup>[4]</sup> <http://www.fgi.co.jp/archives/002/201505/55594dec0550f.pdf>

This case was prepared by Professor Arto Lindblom of Aalto University School of Business and Professor Kazuhiro Asakawa of Keio Business School. The case was published by Keio Business School. To request copies or inquire about this case study, contact the Keio Business School (4-1-1 Hiyoshi, Kohoku-ku, Yokohama, Kanagawa, 223-8526; TEL: 045-564-2444; email: case@kbs.keio.ac.jp). Orders can also be placed by accessing <http://www.kbs.keio.ac.jp/>. The reproduction of this document, in whole or in part, or its use in a data retrieval system, spreadsheet, or transmission by any means (regardless of whether electronically, mechanically, by photocopy, recording, video, and other modes) is prohibited without the permission of Keio Business School.

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ensure the appropriate use of the Moomin characters in the theme park, Robert agreed with Roleff Kråksröm, the CEO of Moomin Characters Ltd. <sup>[5]</sup>, that Roleff joins the board of Moomin Monogatari. All these actions aimed to form a solid base for further steps.

When Moomin Monogatari Ltd. was established in 2013, the basic idea was that Moomin Monogatari would be an independent company run by FGI and Puuha together. However, given the increased significance of Moomin Monogatari within the FGI Group, the company was turned into a consolidated subsidiary of FGI in mid-May 2015. Making Moomin Monogatari into a consolidated subsidiary had kept Robert very busy but finally, things were falling into place and Robert has more time to think about the theme park itself.

Robert stands up from his chair and walks to the front of his massive office window. Robert looks out down the street and asks himself: *“Where should the Moomin theme park be located?”* Robert knows that this is not the easiest thing to solve and there are several things he and his team must consider before making this important decision.

In addition, Robert is well aware of the fact the people’s expectations for the content of Moomin theme park are extremely high. If the execution does not match the expectations, there will be huge dissatisfaction among visitors. Therefore, he asks himself: *“How should the park look and feel like?”* Robert ponders that should the Moomin theme park be exact replicate of the Finnish Moominworld? Would it be possible to transfer the Moominworld from Finland to Japan without any larger adaptations? If not, what are the things that need to be adapted to a Japanese context?

Robert walks back to his chair and ponders another difficult question: *“How do we make money with the park?”* One of the main issues that Robert and his team have to solve concerns the pricing strategy. Robert is particularly wondering whether the Moomin park should apply the pay-one-price scheme where visitors have access to all of the park’s attractions, or should visitors pay for only what they choose to experience in the park?

## **The Story of Moomins**

The Moomins, the story of a family of trolls who live in the idyllic Moominvalley, have been beloved in their home country of Finland since the famed artist Tove Jansson (1914–2001) published her first book featuring these hippo-like characters in 1945. In all, Tove released eight novels about the Moomins and one book of short stories, Tales from Moominvalley. Tove also published five picture

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<sup>[5]</sup> Moomin Characters Ltd. is the official body responsible for Moomin copyright supervision. Moomin Characters Ltd. is located in Helsinki, Finland.

books and a comic strip during the years 1945-1993 <sup>[6]</sup>. Nowadays, the story of Moomins is probably the most well-known Finnish icon.

The Moomins are a bit strange but completely loveable and cute characters, and always having the greatest of adventures. The family of Moomins consists of characters such as homemade philosopher Moominpappa, wise and thoughtful Moominmamma, lovable and friendly Moomintroll as well as the smallest member of the Moomin household, Little My <sup>[7]</sup>. This carefree family lives in their house in a peaceful Moominvalley. The Moominvalley attracts a lot of various friends and visitors who make the place even more colourful and lively.



Picture 1: Moominvalley characters (source: [www.moomin.com](http://www.moomin.com); published with the permission of Moomin Characters Oy Ltd)

Since the Moomins first appeared in 1940s, their stories have become internationally famous and been translated into 50 languages. Today, the Moomins are popular among people of all ages all over the world.

Moomins have also created an entire licensee-based merchandise industry, and it is possible to buy Moomin-branded mugs, bags, phone covers and candies <sup>[8]</sup>. All Moominvalley characters are globally registered trademarks and Moomin Characters Oy Ltd is the official body responsible for Moomin copyright supervision. At the moment, Moomin has hundreds of licensees world-wid <sup>[9]</sup>.

<sup>[6]</sup> <https://www.moomin.com/en/history/>

<sup>[7]</sup> <https://www.moomin.com/en/characters/>

<sup>[8]</sup> <https://shop.moomin.com>

<sup>[9]</sup> <https://www.moomin.com/en/licensing/licensing/>

## Moominworld in Finland

The Moomins are not only adventuring in literature, animation, or in films. In Finland, the Moomins have their own hotel rooms like the Naantali Spa Moomin Story and Finnair decorated its Japan-line planes with the Moomins. There is also the Moominworld that is located in the beautiful natural environment of a small island called Kailo in Naantali, Southwestern Finland. The Moominworld started its operations in 1993 <sup>[10]</sup> (see picture 2).

The idea of Moominworld is to bring alive the Moomin philosophy such as family unity, friendliness, environmental awareness, and adventure. At the Moominworld in Finland visitors can meet all the Moomin characters such as Moominpappa, Little My, Snufkin and Snorkmaiden, take a look at the inside the Moominhouse, see a show in theatre Emma <sup>[11]</sup>, or visit at the Moominpappa's Boat. The Moominworld has several restaurants, cafeterias, and kiosks where visitors can enjoy and buy food, from homemade dishes to small snacks and sweets. There is also Sniff's Shop from where visitors can buy Moomin-branded products. Furthermore, there is a small sand beach next to the park, and walking paths take visitors around both the Moominworld and the township of Naantali. All in all, one could argue that Moominworld reflects the beauty of Finnish nature. Moominworld has been assessed to be the second most popular place in Finland for families with children, after the residence of Santa Claus in Lapland. The busiest time in Moominworld is July.



Picture 2: Moominworld in Naantali (Finland) (source: [www.moominworld.fi](http://www.moominworld.fi))

<sup>[10]</sup> <http://www.moominworld.fi>

<sup>[11]</sup> <https://www.moominworld.fi/summer/attractions-and-services/theatre-emma>

In addition to Moominworld, Moomins also have their own museum in Tampere<sup>[12]</sup>, Finland and numerous gallery and museum exhibitions around the country every year.

Robert is wondering if it would be possible to replicate the Moominworld from Finland directly in Japan? Is the Finnish version of Moominworld something that Japanese visitors want to explore? If not, what are the things that need to be adapted to a Japanese context? For example, should the Moomin theme park be outdoor type like Moominworld in Finland or would it be more reasonable to establish indoor type park? This is also partly related to the question of what is the target market of Moomins in Japan, particularly in terms of age group. For example, is it so that the Moomin theme park will attract families with small children like Moominworld in Finland or is it so that the Moomin park will attract more Japanese adults and couples?

### Moomins in Japan

It has been said that the Moomins have their second home in Japan. In fact, the first Moomin anime TV series was broadcasted on Fuji Television between 1969 and 1970. However, the real breakthrough came in the early 1990s when the animated TV series *Tanoshii Mūmin Ikka* premiered on TV Tokyo<sup>[13]</sup> (see picture 3). This 104-part series was created in 1990-1992 by a Japanese production team, and it was dubbed into numerous languages and broadcast in over 100 countries.<sup>[14]</sup> It has been argued that this specific animation led to a new wave of popularity around the world, but especially in Finland and Japan.



Picture 3: Tanoshii Mūmin Ikka (a picture from the original TV series)

<sup>[12]</sup> <https://muumimuseo.fi/en/>

<sup>[13]</sup> [https://www.youtube.com/watch?v=e\\_hvZIL\\_XnQ](https://www.youtube.com/watch?v=e_hvZIL_XnQ)

<sup>[14]</sup> [https://en.wikipedia.org/wiki/Moomin\\_\(1990\\_TV\\_series\)](https://en.wikipedia.org/wiki/Moomin_(1990_TV_series))

Since 1990s the Moomins have become extremely famous characters in Japan. An indication of this popularity was seen the survey conducted by Nippon Research Center (2015). According to this survey, the Moomins match Japanese character Pokemon with a brand recognition of 86% across the 15-79 age group. In a ranking of awareness levels of international characters in Japan, the Moomins are in joint third place, just behind only Hello Kitty and Winnie the Pooh. This means that Moomins beat many mega-global characters including Mickey Mouse, Frozen and Harry Potter. <sup>[15]</sup>

Takumi Nakayama, CEO of Moomin Characters' licensing agent in Japan, states that <sup>[16]</sup>: *"Moomin is so popular in Japan thanks to its unique positioning as a property from the world of Scandinavian art and literature. While the Moomins' values are universal, there is much in the brand's origins and in Finnish culture and way of living that is of interest to Japanese fans."*

The popularity of the Moomins has led to significant growth in the sales of Moomin related goods in Japan. It is almost impossible not to find Moomins virtually everywhere you look in Japan. There are official Moomin shops, Moomin cafes and numerous other places that offer Moomin goods. Literally, Moomins are popping up everywhere in Japan. Roleff Kråkström, CEO of Moomin Monogatari, agrees that the Moomins enjoy nowadays huge commercial success in Japan <sup>[17]</sup>: *"Since a period in the 1990s when Japan accounted for around 30% (of annual revenues for Moomin Characters Ltd), it has risen to almost 50%. More specifically, the global annual retail value of the Moomins is around 600-700 million euros, and Japan accounts for around 300-350 million."*

### **About the location decision of the Moomin theme park**

The location decision is one of the first strategic decisions that Robert has to make before planning process of park could really start. Robert is walking around in his office and thinking where the park should be located. What are the actual alternatives for location? Robert knows that if the wrong location is chosen, all big dreams may be doomed.

One critical issue related to location decision is the population size around the park. It is obvious that theme parks such as the Moomin theme park need a certain amount of population in a decent time distance from the park <sup>[18]</sup>. General rule is that visitor flows decrease as distance increases. Many studies argue that 2-hour driving range is critical. Within that range there should be an adequate market

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<sup>[15]</sup> <https://www.moomin.com/en/blog/moomin-characters-eyes-expansion-japan-new-theme-park-centenary-celebrations/>

<sup>[16]</sup> <https://www.moomin.com/en/blog/moomin-characters-eyes-expansion-japan-new-theme-park-centenary-celebrations/>

<sup>[17]</sup> <https://www.moomin.com/en/blog/moomins-ascendant-in-asia-interview-with-moomin-characters-ltd-managing-director-roleff-krakstrom/>

<sup>[18]</sup> Zhang, Y., Li., X. & Su, Q. (2017) Does spatial layout matter to theme park tourism carrying capacity? Tourism Management, Volume 61.

for a park. A large theme park might require even more than 10 million population around it within that driving range. Obviously, these requirements are very rough and highly dependent on the size of the park, and its goals concerning sales and number of visitors. However, one can assume that any larger theme park should be located quite near some big city, and the accessibility of the park must be good. Particularly, it is largely argued that easy access is an extremely important factor in determining the number of visitors a theme park is likely to attract, since most of the visitors at theme parks are typically day-trippers. If the location of the park is far from the city, there should be an opportunity to stay overnight on the park area.

Another important factor that influences location decision is climate. Particularly, if the park is an outdoor park, the year-around climate needs to be considered critically. It has been argued that in theme parks, the climate may directly affect people's intentions to visit at the park<sup>[19]</sup>. Obviously, the size of the park can set some limits to where the park can be established. Furthermore, the local area and the services around the park are also critical factors. One could argue that the more attractions and services there are in a given local area, the larger its collective pulling ability<sup>[20]</sup>.

Perhaps one of the most difficult questions, however, is what kind of location brings alive the Moomin philosophy and helps to create an atmosphere that resonates with the story of Moomins. This is related to the question of how the Moomin park should look and feel like. All in all, there are several factors that should be taken into account when making the final location decision.

### **Some location options for the Moomin theme park in Japan**

Robert is well aware that Japan has several cities with a population over one million people (see the list below), and therefore there are basically several options where the park could be located from the viewpoint of market potential. Tokyo is the capital city of Japan and it is by far the most populated city in the country. It has been calculated that the Tokyo-Kanto Metropolitan Area is home to 37 million people, equal to almost 1/3 of the entire Japanese population. Other big cities are Yokohama (also in the Tokyo-Kanto Metropolitan Area), Osaka and Nagoya.

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<sup>[19]</sup> McClung, G. (1991) Theme park selection: Factors influencing attendance, *Tourism Management*, Vol. 12.

<sup>[20]</sup> Zhang, Y., Li., X. & Su, Q. (2017) Does spatial layout matter to theme park tourism carrying capacity? *Tourism Management*, Vol. 61.

Table 1: Ten largest cities in Japan <sup>[21]</sup>

City	Number of inhabitants
Tokyo	8,956,000
Yokohama	3,690,000
Osaka	2,670,000
Nagoya	2,266,000
Sapporo	1,906,000
Kobe	1,544,000
Fukuoka	1,482,000
Kyoto	1,470,000
Kawasaki	1,413,000
Saitama	1,230,000

Robert knows that placing the Moomin park in a big city such as Tokyo or Osaka would offer a large market potential. But it might, Robert is thinking, also include risks. For example, the competition can be extremely fierce. In fact, most of the big cities in Japan have wide offerings of various recreational establishments, such as zoos, aquariums, museums, and amusement parks. Furthermore, land area will be almost certainly more expensive in big cities (see Table 2).

Table 2: Ten most expensive cities in Japan according to land price (for housing area) in 2015 (source Ministry of Land, Infrastructure, Transport and Tourism)

City	Land price for housing area (yen/1m2)
Tokyo	518,600
Osaka	233,300
Yokohama	217,800
Kyoto	194,400
Saitama	178,200
Nagoya	168,300
Kobe	143,700
Naha	126,400
Fukuoka	120,500
Chiba	116,800

<sup>[21]</sup> <https://www.worldatlas.com/articles/10-biggest-cities-in-japan.html>



Robert also considers the large number of foreign tourists in Japan who could be potential visitors at the Moomin park. In fact, the number of inbound travelers to Japan has increased significantly during the last years. In 2015, Japan attracted almost 20 million tourists who spent 3,5 trillion yen (30 billion USD) while in Japan. <sup>[22]</sup> What kind of location these foreign tourists would prefer, Robert asks himself.

In order to understand the alternative location options better Robert realized he has to look at Japanese theme park business in more detail.

**Theme park business in Japan**

Japan is known for its many theme parks (see e.g. <http://www.theparkdb.com>). These theme parks are places that offer experiences around a particular subject or group of subjects. For example, visitors can enjoy the recreated sets from famous movies or interact with popular cartoon characters. According to the Ministry of Economy, Trade, and Industry, Japan’s amusement and theme parks generated ¥628.9 billion in sales in fiscal 2014. The 2014 sales figure, which surpassed the previous year’s by 6.8%, was the highest since the first annual survey in 2000 (see Figure 1). <sup>[23]</sup>

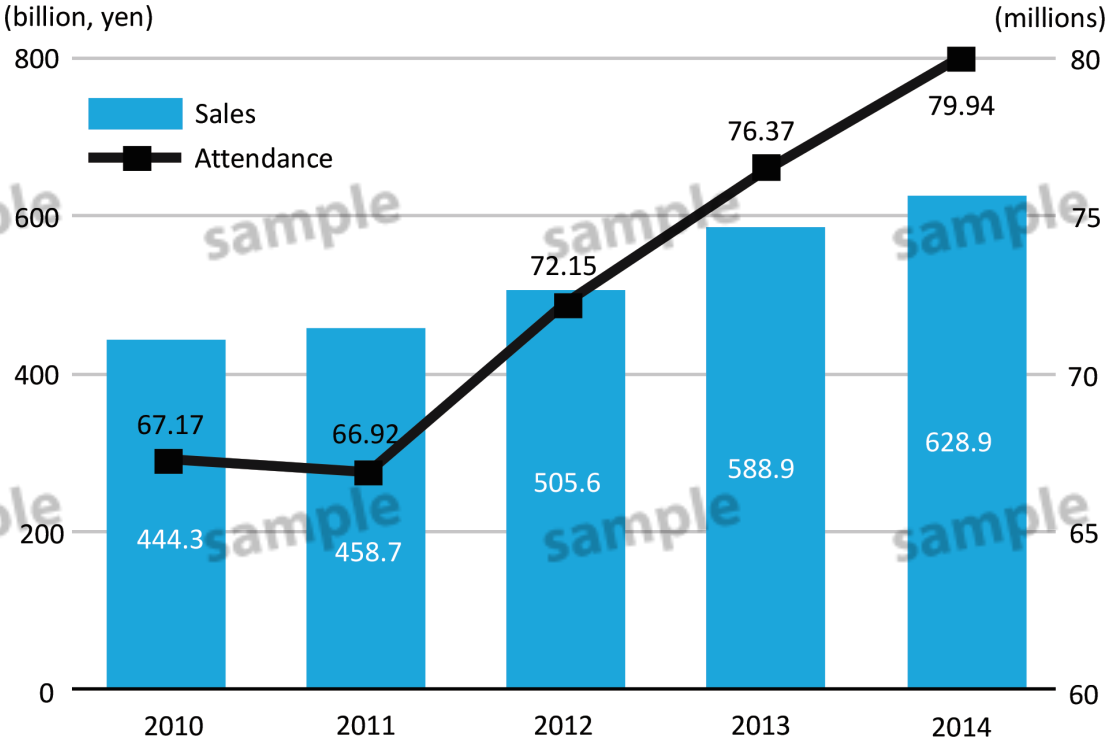
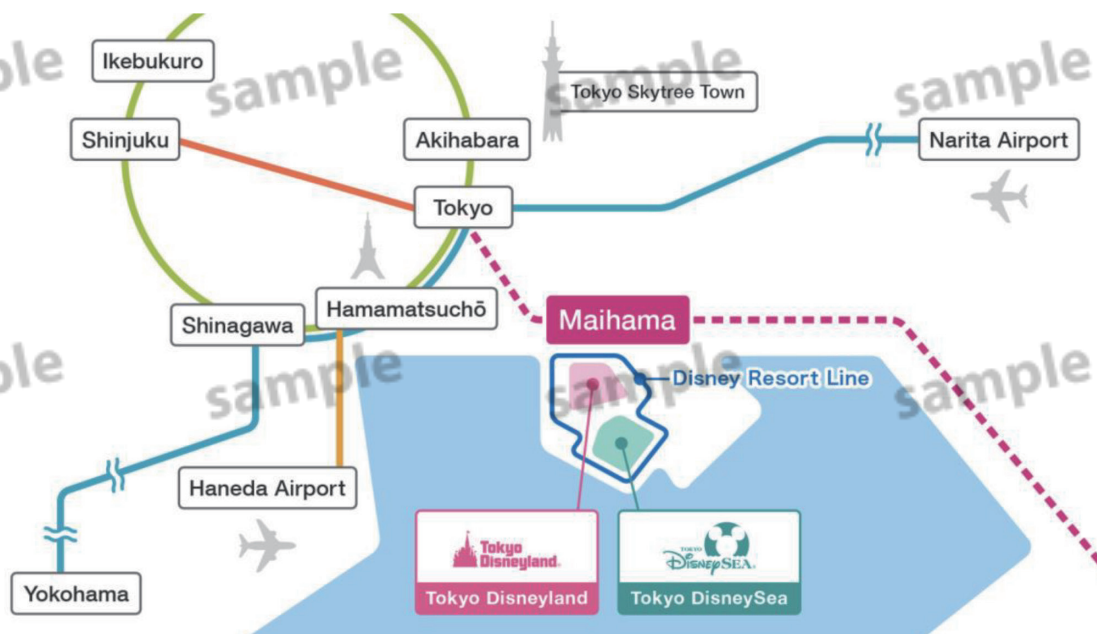


Figure 1: Sales and attendance for Japanese amusements and theme parks (source: Ministry of Economy, Trade, and Industry; [www.nippon.com](http://www.nippon.com))

<sup>[22]</sup> Schumann, F. (2017) Changing Trends in Japan's Employment and Leisure Activities Implications for Tourism Marketing. Springer Singapore.  
<sup>[23]</sup> <https://www.nippon.com/en/features/h00119/>

## Tokyo Disneyland and Tokyo DisneySea

Theme parks hit Japan big time in 1983 with the opening of Tokyo Disneyland. Tokyo Disneyland was the first Disney theme park to be built outside of the U.S. and it was modeled after the original Disneyland Park in U.S. Tokyo Disneyland is famous for its spectacular productions, particularly its parades. Furthermore, Tokyo Disneyland features over 40 attractions and live entertainment venues spread across seven themed lands: World Bazaar, Adventureland, Westernland, Critter Country, Fantasyland, Tomorrowland, and Toontown. In 2001, there was an opening of the second Disney-related theme park in Japan, Tokyo DisneySea. This enormous park was build next to Tokyo Disneyland. It took two years to build this park at a cost of 335 billion yen. In short, Tokyo DisneySea is inspired by the myths and legends of the sea, and it features over 30 attractions and live entertainment venues throughout seven themed ports: Mediterranean Harbor, American Waterfront, Port Discovery, Lost River Delta, Arabian Coast, Mermaid Lagoon and Mysterious Island. Picture 4 describes the location of Tokyo Disneyland and Tokyo DisneySea.



Picture 4: The location of Tokyo Disneyland and Tokyo DisneySea (source: <https://www.tokyodisneyresort.jp>)

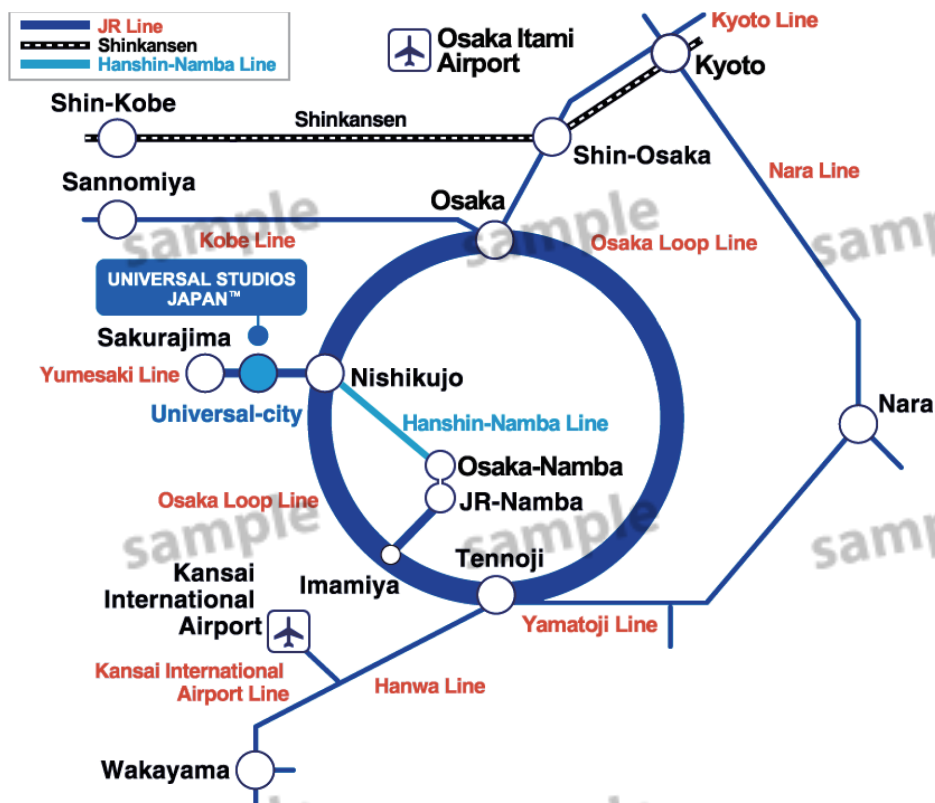
Together, Tokyo Disneyland and Tokyo DisneySea form Tokyo Disney Resort<sup>[24]</sup> that is Japan's most popular theme park with more than 30 million annual visitors.

<sup>[24]</sup> <http://www.tokyodisneyresort.jp/en/>

## Universal Studios Japan

Another very popular theme park in Japan is Universal Studios Japan,<sup>[25]</sup> located in Osaka (see Picture 5). Universal Studios Japan has evolved into a recreational magnet that holds “universal” appeal, attracting the young and the old, males and females alike. Universal Studios Japan has eight sections: Hollywood, New York, San Francisco, Jurassic Park, Waterworld, Amity Village, Universal Wonderland and The Wizarding World of Harry Potter.<sup>[26]</sup> In particular, its Harry Potter attractions, which were launched in 2014, have been a huge hit; in the year since they opened, admission soared by 17,8%, to 13.9 million.

At Universal Studios Japan visitors can to enjoy several amusement rides, ranging from carousels to roller coasters and simulators based on popular movies such as Spiderman, Back to the Future, and Jurassic Park. In addition to rides, Universal Studios Japan offers many opportunities to take pictures with popular characters such as Snoopy, Hello Kitty and the puppets of Sesame Street. There are also various shows every day. Furthermore, just outside the park's gates is Universal Citywalk Osaka, a shopping mall with multiple official Universal hotels and many restaurants and shops, including stores selling Universal Studios merchandise.



Picture 5: The location of Universal Studios Japan (source: <http://www.usj.co.jp/e/>)

<sup>[25]</sup> <https://www.usj.co.jp/e/>

<sup>[26]</sup> <https://www.japan-guide.com/e/e4021.html>

## Other amusement parks

Tokyo Disney Resort and Universal Studios Japan are super popular parks indeed, but they are actually only the tip of the iceberg. There are many other Japanese amusement parks that also have a lot to offer, from thrilling rollercoasters to water parks. For example, the world's steepest rollercoaster is at Fuji-Q Highland <sup>[27]</sup> in Japan. Apart from the rollercoaster, there is also a high-altitude swing ride, a 52-meter drop tower and many slightly smaller rides. Visitors at Fuji-Q Highland can also enjoy anime-themed attractions and a large haunted house. Another thrilling big entertainment park is at Tokyo Dome City <sup>[28]</sup> where visitors can join in the 1000-meters-long rollercoaster "Thunder Dolphin". Nagashima Spa Land <sup>[29]</sup>, in turn, is a major amusement park very close to Nagoya. Nagashima Spa Land has the famous "Steel Dragon 2000" rollercoaster, which spans the entire length of the park. In total, there are over 40 different rides at Nagashima Spa Land.

There are also many smaller amusement parks in Japan. In fact, the country's oldest amusement park, Asakusa Hanayashiki, was established in 1853. It is located in the heart of old Tokyo, just a five-minute walk from Asakusa's Sensōji temple.

## Indoor parks

Furthermore, there are also indoor parks in shopping malls and commercial facilities that can easily be combined with a meal, shopping, or a movie to make an all-day outing. Many are operated by major gaming companies, such as Sega's Joypolis in Tokyo <sup>[30]</sup> or Namco's Namja Town in Tokyo <sup>[31]</sup>. One very interesting indoor park is the KidZania <sup>[32]</sup>. KidZania is basically a kids-sized version of a fully-functioning city. In KidZania children get to experience a day in the life of adults, by taking on one of nearly 100 different jobs using real-world tools and equipment, earning money and then spending it in KidZania.

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<sup>[27]</sup> <https://www.fujiq.jp/en/>

<sup>[28]</sup> <https://www.tokyo-dome.co.jp/en/tourists/>

<sup>[29]</sup> <http://www.nagashima-onsen.co.jp/page.jsp?id=14949>

<sup>[30]</sup> <http://tokyo-joypolis.com/language/english/>

<sup>[31]</sup> <http://event.bandainamco-am.co.jp/namja/en/#attraction>

<sup>[32]</sup> <http://www.kidzania.jp/tokyo/en/>

## Abandoned parks in Japan

Although there are very popular amusement and theme parks in Japan, there are also parks that have not been that successful. One of these unsuccessful cases is Nara Dreamland. Nara Dreamland was opened in 1961 and it was largely inspired by Disneyland in California. However, in 2001, when Tokyo DisneySea opened next to Tokyo Disneyland, and Universal Studios Japan opened in Osaka, Dreamland's attendance numbers dropped dramatically. It has also been stated that by 2004, the park began to decline also in quality; some stores closed down and some attractions began to rust. On August 31, 2006, Nara Dreamland closed down for good. The park remained abandoned for 10 years prior to its demolition.<sup>[33]</sup>

Another example of unsuccessful stories is Huis Ten Bosch that was opened in 1992 in Nagasaki.<sup>[34]</sup> In short, Huis Ten Bosch was a theme park, modelled on Holland, where Dutch streets and houses were reproduced. The park recorded the peak of over 4 million visitors in 1996. However, due to the fall of the number of visitors caused by the economic downturn in Japan, the park declared bankruptcy in 2003 with debt of 220 billion yen. Despite the economic difficulties Huis Ten Bosch remained open and it was taken over by travel company H.I.S who invested 2 billion yen into its revival and broadened its appeal. H.I.S also made it an attractive venue for tourists from Mainland China on package deals arranged by H.I.S.

## Pricing strategies of theme parks

In addition to the location decision and the decisions concerning the content and adaptation level of the Moomin park, Robert is mapping alternative pricing strategies for the park.

It widely argued that pricing strategy is very critical due to fact that revenues for the theme parks are generated primarily from the admission price. It has been estimated that admission price represents typically between 49 to 60 percent of overall theme park revenues<sup>[35]</sup>.

<sup>[33]</sup> [https://en.wikipedia.org/wiki/Nara\\_Dreamland](https://en.wikipedia.org/wiki/Nara_Dreamland)

<sup>[34]</sup> [https://en.wikipedia.org/wiki/Huis\\_Ten\\_Bosch\\_\(theme\\_park\)](https://en.wikipedia.org/wiki/Huis_Ten_Bosch_(theme_park))

<sup>[35]</sup> Milman, A. & Kaak, K. (2013) Theme Parks Revenue Management, In Legohérel, P. Poutier E. & Fyall A. (eds). Revenue Management for Hospitality and Tourism. Woodeaton Oxford: Goodfellow Publishers Limited.

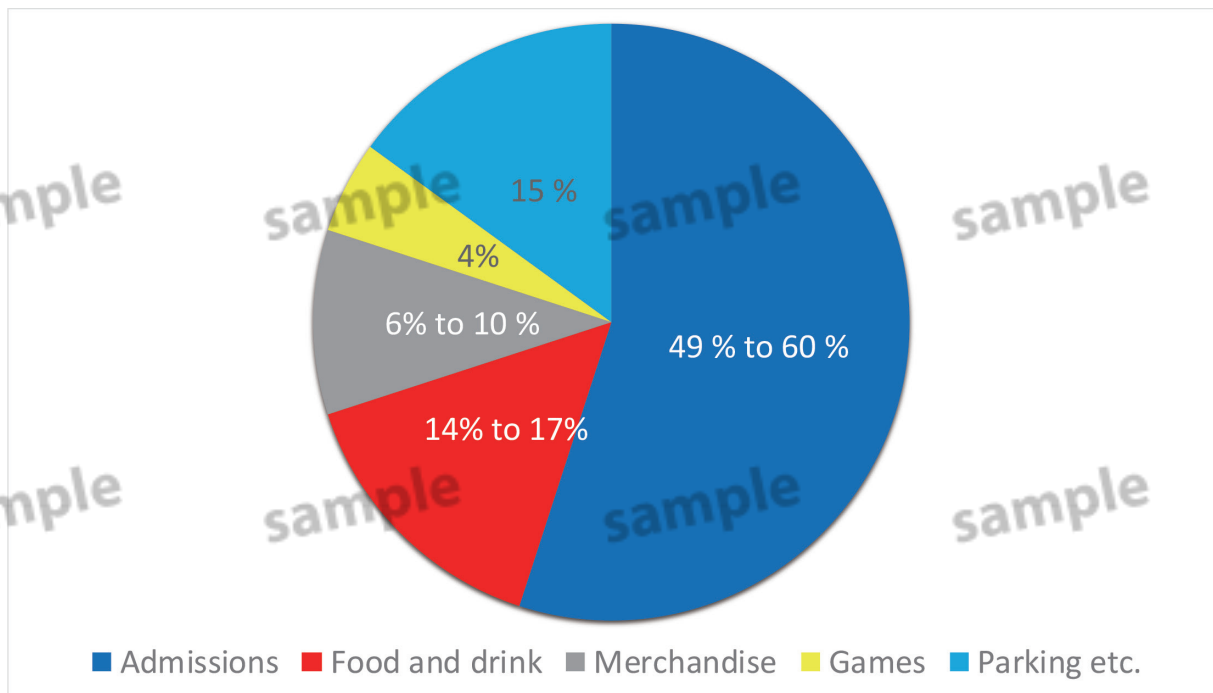


Figure 2: Approximate sources of theme park revenues (source: Milman & Kaak, 2013)

There are basically two alternative pricing strategies for theme parks:

- Pay-one-price
- Pay-as-you-go.

Pay-one-price strategy refers to the model where visitors pay single admission fee (e.g. 1-Day Pass) that allows them to use all or most of the attractions (e.g. rides) in the park as often as they wish during their visit. Pay-as-you-go is a pricing strategy in which visitors pay for the costs of something (e.g. rollercoaster rides or shows) when they are used rather than before or afterwards. The cost of the attraction can be fixed or it can be based on e.g. its popularity. There can be also some kind of hybrid models that combine these two strategies.

It is also typical that theme parks change prices based on demand<sup>[36]</sup>. For example, theme park can charge different prices for entry according to the date or time when visitors plan to visit. Season of the year can also affect pricing. In addition, some parks might charge less for admission to those who bought tickets online. Theme parks can charge also lower prices for visitors who make reservations well in advance. All in all, the pricing strategies of theme parks can differ significantly and there is no “one-size-fits-all” pricing model.

<sup>[36]</sup> Heo, C. & Lee, S. (2009) Application of revenue management practices to the theme park industry, International Journal of Hospitality Management, Vol. 28.

Both Tokyo Disney Resort and Universal Studios Japan apply the so-called pay-one-price model. In general, it seems that larger outdoor parks apply pay-one-price strategy. By this kind of pricing strategy, larger parks are probably able to attract families and other visitors who want to know up front how much it would cost to visit at the park. Figure 3 shows the park entry fees for Tokyo Disney Resort.

**Park Ticket Price List**

Ticket Type	Adult Ages 18 & over	Junior Ages 12-17	Child Ages 4-11
<a href="#">1-Day Passport</a>	¥7,400	¥6,400	¥4,800
<a href="#">Senior Passport</a> (Ages 65 & over)	¥6,700		
<a href="#">2-Day Passport</a>	¥13,200	¥11,600	¥8,600
<a href="#">3-Day Magic Passport</a>	¥17,800	¥15,500	¥11,500
<a href="#">4-Day Magic Passport</a>	¥22,400	¥19,400	¥14,400
<a href="#">Starlight Passport<sup>1</sup></a>	¥5,400	¥4,700	¥3,500
<a href="#">After 6 Passport<sup>2</sup></a>		¥4,200	

Figure 3: The park entry fees at Tokyo Disney Resort. Ticket prices are the same for Tokyo Disneyland Park and Tokyo DisneySea Par (source: <https://www.tokyodisneyresort.jp>)

The smaller indoor parks, in turn, typically apply the pay-as-you-go pricing scheme; visitors have a small (or no) admission fee but can then purchase tickets for the rides that they want. For example, Sega’s Joypolis in Tokyo has this kind of pricing strategy.

Robert is thinking that whether the Moomin theme park should apply the pay-one-price scheme where visitors have access to all of the park’s attractions, or should visitors pay for only what they choose to experience in the park? What would be the most suitable pricing strategy for Moomin theme park?

**Summary**

Robert stands up from his chair and straightens the sleeves on his tailor-made suit. He knows very well that running a theme park is tough business and there is no room for errors. In particular, Japan’s competitive landscape is fierce, and the country’s recreational markets are dominated by large global theme park brands. Although the Japanese love Moomins and there is undoubtedly significant business

potential for the Moomin theme park in Japan, there are many pressing issues, especially the location and the content of the theme park. If unwise decisions are made, the future of the park will not be bright. In addition, the pricing strategy must be carefully developed in order to make the theme park as attractive as possible from the viewpoint of potential visitors.

Questions for discussion:

1. What are the issues that Robert and his team must consider when making location decision?

2. Which location would be better for the Moomin theme park, inside or outside of Tokyo-Kanto Metropolitan Area? Please list some advantages and disadvantages of the location inside Tokyo-Kanto Metropolitan area. Please list some advantages and disadvantages of location outside of Tokyo-Kanto Metropolitan area.

3. What kind of location could bring the Moomin philosophy alive and help to create atmosphere that resonates with the story of Moomins? For example, should the Moomin theme park be indoor or outdoor type?

4. To what extent should the Moomin theme park and its content be adapted to Japanese culture and customs? Would it be possible to replicate the Moominworld from Finland directly in Japan? If not, what are the things that need to be adapted to Japanese context?

5. What is your opinion of the target market of Moomins in Japan, particularly in terms of age group? For example, would it be so that the Moomin theme park will attract families with small children like Moominworld in Finland or is so that the Moomin park would attract more Japanese adults and couples?

6. Should the park's pricing strategy be based on pay-one-price or pay-as-you-go?

7. Should the Moomin theme park benchmark Tokyo Disney Resort and Universal Studios Japan?

8. Was Japan really the right country to open Moomin theme park? Would there had been any alternative location other than Japan?



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