

Redemption Centers Make a Lasting Impression

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What is it that a family entertainment center sells? Is it fun or rides? Bowling? Food and beverage? Game play? A birthday or group party?

At the end of the day, on the ride home, our customers might think of it as the experience. From Chuck E. Cheese's to Dave & Buster's, FEC customers generally have one thing in common. When its time to go home, they cash out their redemption tickets at the redemption center.

It is at the redemption center that the FEC experience will be punctuated. Too many FECs, of all sizes and shapes, deliver a great entertainment experience only to lose the game at the buzzer. Why? Because their redemption check out experience is less than it should be. The redemption center design is central to ensuring a great last, and lasting, impression for the customer.

Common Mistakes

Redemption center merchandise and how it is displayed drives sales. In our consulting practice, we often see that the redemption center is an afterthought. With the budget set and construction underway, corners are cut with the redemption center. A common mistake is to think that off the shelf, retail-type dis-

play cabinets are all that is needed. Redemption merchandise display standards are different than retail. The quality, durability and configuration required for redemption differ greatly from retail. Those off-the-shelf displays typically fall apart. Redemption centers are opened and closed or otherwise accessed at a far higher level of activity than retail.

At the other end of the spectrum are those that understand the importance of a redemption center designed for gamerooms but turn to architects for their solution. Architects are wonderful at creating exciting spaces out of four blank walls, but very few have experienced the functionality of a redemption center on a busy Saturday afternoon, much less worked behind the counter.

Right-Sizing Redemption Centers

Right sizing the redemption center is based on the number of games and sales volume those games will generate. There are two broad types of redemption centers in the marketplace today. Each comes with its own set of pros

and cons; each has its place depending on size and volume of the redemption gameroom.

The traditional redemption counter typically consists of low front counters displaying low-ticket items, a.k.a. bin items, with rear storage and wall displays to showcase a variety of merchandise at a wide range of price points.

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Traditional counters secure the merchandise and maximize the visual connection and proximity of the prizes to the games. They are somewhat limiting in that the guest must choose their prize visually, separated by glass or cabinet from the merchandise.

The alternative to the counter is the redemption store or room, which has become a trend in the highest volume gamerooms. They are designed as a separate room adjacent to or in a corner of the gameroom. The guest walks into the four walls of the room and is surrounded by

merchandise, including open displays where they can touch and feel the merchandise before deciding what to purchase, checking out at a desk like a retail store.

The major benefit of the room is the touch and feel aspect, as well as the ability to display merchandise in a retail-like setting. The downside is shrinkage: it's easier for dishonest guests to pocket merchandise. If retail security systems are used, more labor is required to install magnetic tags on each piece of merchandise. The major negative of the four-walled room is that the merchandise is disconnected from the games. Since prizes drive game play, containing the merchandise in a separate room erects visual barriers between prizes and players.

We believe we have eliminated this negative when we design and build redemption rooms for clients. Our rooms feature three walls, the fourth being low counters, open above. This allows us to deliver the openness of the traditional RC with the benefits of the redemption room, in other words the best of both worlds.

Whether counter or room, the size can and should vary to accommodate the space available, number of games and sales volume of the individual



The traditional prize counter just can't compete with the new hybrid redemption center like the one below when it comes to leaving a positive lasting impression on the customer. A clean, attractive and well-planned redemption area is an important investment for the FEC operator.



family entertainment center. There should be a variety of fixtures to display different types of merchandise and to appeal to different customer groups.

Best Practices

This list applies to both traditional redemption counters and redemption rooms:

The WOW Factor:

Displays should be expansive. They should be kept full and have prizes people want to take home. We recommend the produce aisle approach. Like the produce aisle in any supermarket, displays are kept full to overflowing.

Organization: The redemption center or store

should be organized to minimize guest confusion and to help guests to move through the process efficiently. We recommend a set series of price points. This minimizes confusion. Price points should be placed sequentially so that guests can easily see what the next level is (this helps generate incremental sales: human nature is such that if I have 10 tickets but see the nicer 20 ticket item, it's likely that I will play more to get more tickets).

Displays: Be creative, eliminate hard angles, focus on visual appeal and create definite sections. Think of the science of shelf management practiced by major retail and

grocery chains, the displays created in mall retail and department store windows, the glitter of the jewelry stores and the exciting atmosphere created by the casino.

Technology: Debit card systems come equipped with a redemption POS system typically used in conjunction with ticket eaters that convert tickets to either a barcoded receipt or into points directly on the guest's debit card. Centers that don't utilize debit cards can install stand-alone redemption POS systems. In both cases, the guest arrives at the redemption center with tickets counted.

Bin/Lower Ticket Items:

Impulse customers shop here. These are typically younger customers who want instant gratification and spend all of their tickets in one visit. Organize items by ticket price from left to right, top to bottom in each case or, in the case of rooms, each bin item fixture.

The Walls:

The wall is the bread and butter of a redemption center. It is the major sales driver, the area where we merchandise to our most loyal and valuable customers: the savers and super savers. The medium and higher ticket items require either more play or more visits to accumulate tickets for these prizes. This is the Holy Grail for gameroom operators: customers who stay longer, spend more and return often.

Cleanliness: Keeping the glass clean and the redemption center free of clutter is one of the fine points of effective merchandising. It is a matter of training and leadership, creating a merchandising culture based on the mantra that mer-

chandise displays drives sales.

Storage: It's challenging to keep the redemption center displays full during busy periods, but if full displays are what drive sales, we need to drive sales the most during busy periods. Storage in the redemption center or room will help, and adequate staffing to run merchandise from remote storage at peak periods may be required as well.

A well planned, designed and merchandised redemption center is one of the most important investments an FEC operator will make. Creating that great, lasting, last impression will ensure that your guests return again and again. ◆

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