city intelligence

CASE STUDY: Entertainment centers

The most profitable option for the
entertainment based industry

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The most profitable option for the entertainment based industry

Introduction

A company dedicated to the exhibition of films is evaluating the possibility of opening a new high-end cinema complex in the city and employed the City Intelligence system to analyze in detail which option is the most profitable.

Context

Two mega-malls were under development in two of the city's most exclusive complexes, and the company received invitations from both projects to open a new premium cinema. Therefore, in order to complete a feasibility study, a better understanding of the mobility dynamics and the profile of potential customers in each complex (A and B) was required.
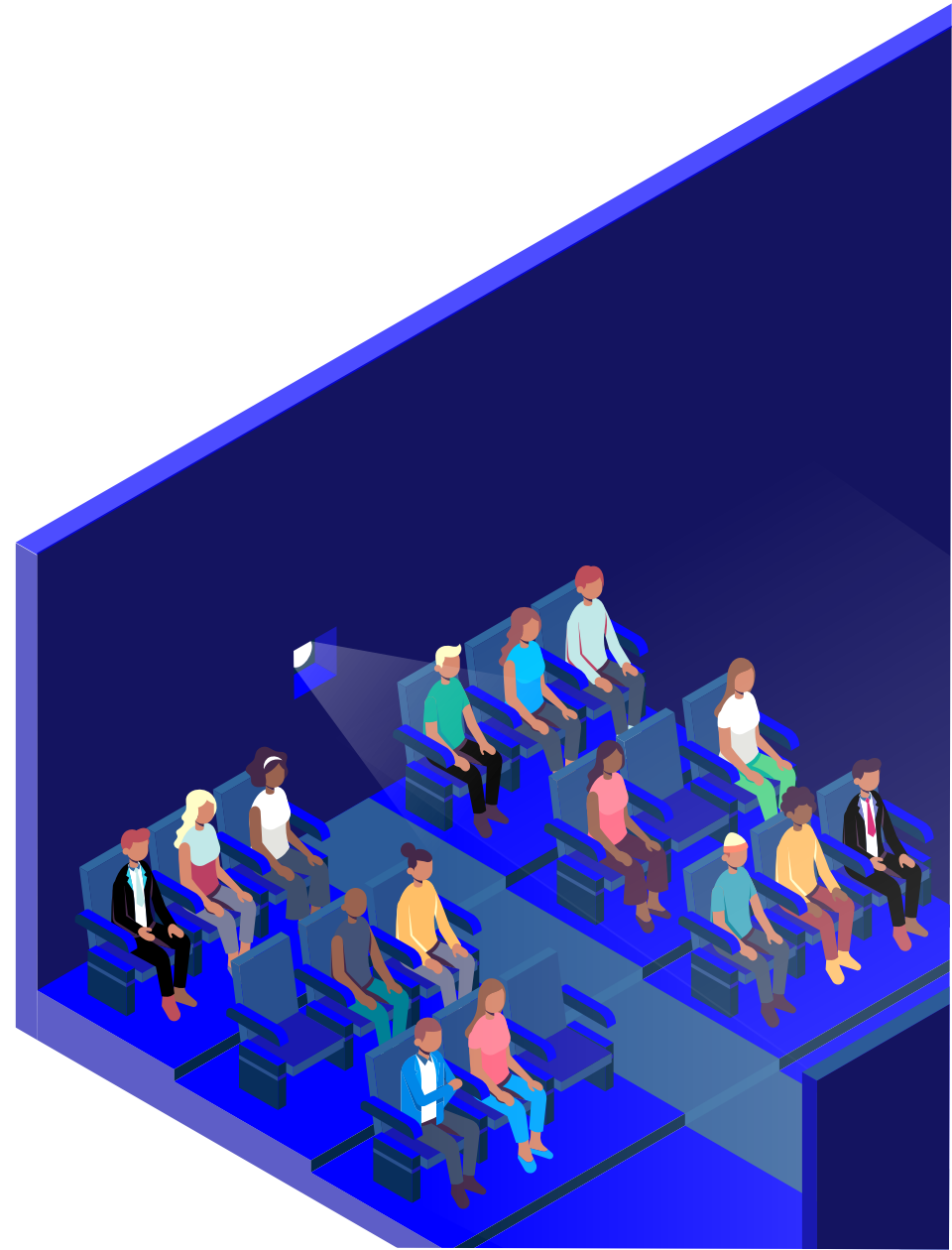
Solution

The City Intelligence machine learning tools helped to contextualize the urban factors that are most relevant to the decision-making process. The spatial data provided by the system enabled an objective analysis of the profile of the target consumer to be carried out, both of consumers residing in the complex and those who would use the mall according to the characteristics and potential audience of each project. The tools also made it possible to understand the dynamics of the city from the flow of traffic and most frequently used routes within each location. In addition, an assessment was carried out at the urban block level to locate the sources of direct and indirect competition, which included other film exhibition centers as well as recreational activities that were of interest to the same target audience and could affect business as substitute competitors. With this and more data, an analysis was generated that allowed the client to know the business potential of the project to be developed.

Findings and results

· In complex A, 47% of the residents were over 50 years old. Also, 74% were of the socioeconomic level A.

· In complex B, 63% of the residents were in the 18-44 age group. Additionally, 68% were of the socioeconomic level A.

· Complex A was located close to one of the city's main exit roads, which becomes a national highway several kilometers away, while complex B was developed next to one of the most established financial centers in the city.

· Traffic analysis indicated that Complex A enabled a smoother flow of vehicular traffic, which increased on weekends. Meanwhile, Complex B suffered from constant traffic jams on weekdays, but the road infrastructure provided good accessibility to pedestrians and cyclists.
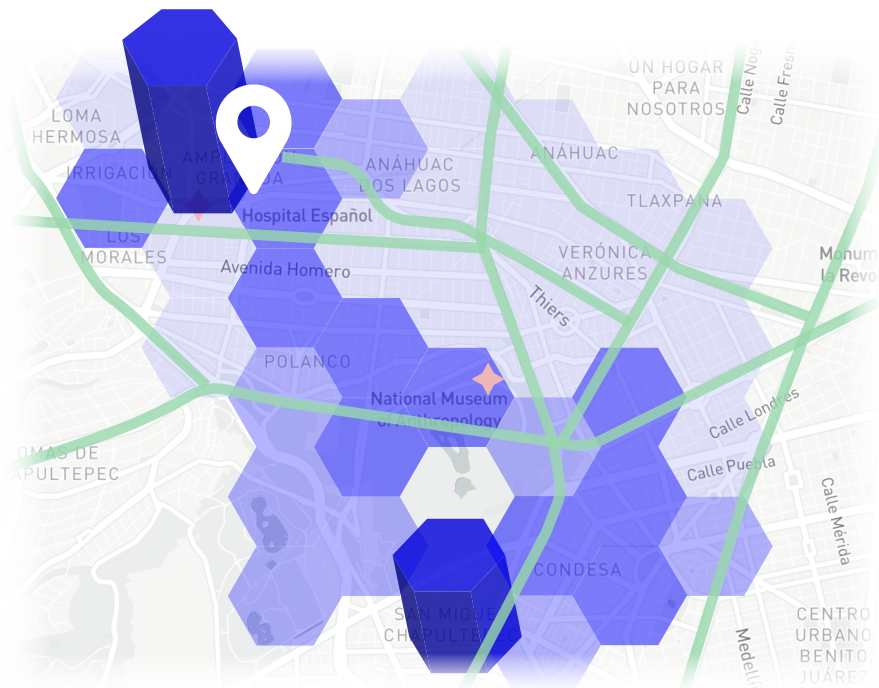
⊙ Chosen location

━━ Tracted road sections

⬣ Best areas

⬤ SE   A

⬤ SE   B

⬤ SE   C

✦ Point of interest

Conclusions and how City Intelligence can help the retail industry

Based on the results found, the client decided that complex B was ideal for the development of the new high-end film complex since this area suited the target market segment best as it was a reference location within the city, unlike complex A, which at the time was emerging as a commercial mega-mall of a more residential nature.

In addition, despite the fact that complex A had a higher concentration of the target socioeconomic level, the client's research showed that young groups are clearly more willing to visit this type of entertainment center. Therefore, due to the demographic, Complex B emerged as the most viable option.

If your enterprise focuses on entertainment centers, using City Intelligence, you can:

· Analyze the area and polygons of interest where your business could be located, in order to determine if these are the most suitable for your business.

· Know the direct and indirect competitors in the area, as well as their area of influence to contextualize the competitive setting of the location.

· Make use of large databases to find out how many consumers are in the area, as well as their most relevant socio-demographic characteristics.

· Identify areas with similar behaviors and markets.

· Evaluate the accessibility and traffic flow of a location accounting for different forms of transport such as vehicular, cyclist, and pedestrian.
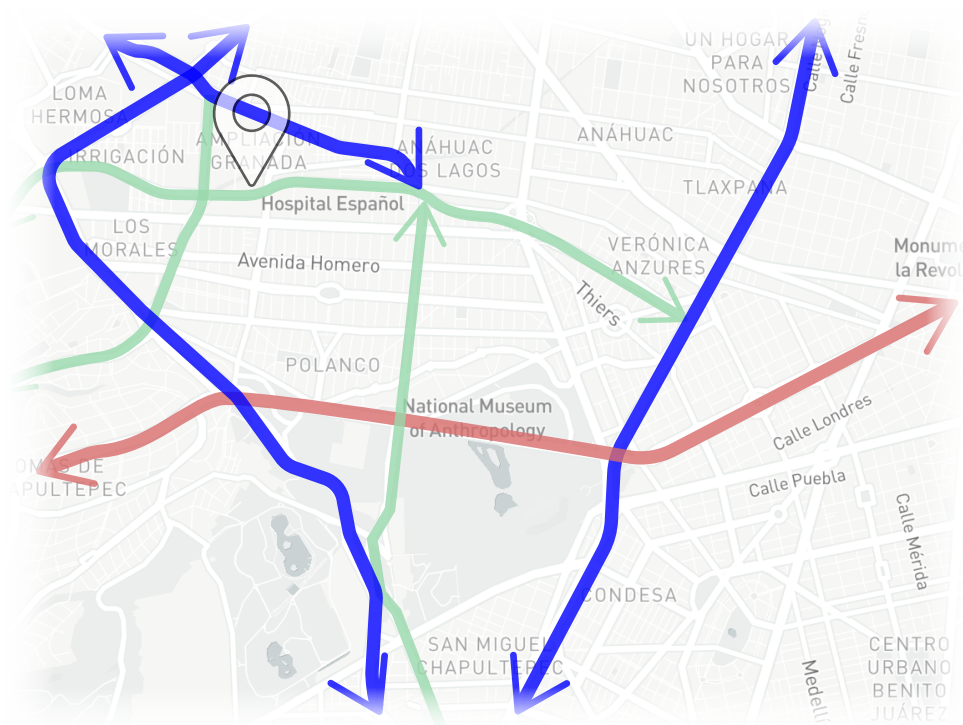
⚲ Chosen location

▬ Good flow pathways

▬ High flow pathways

▬ Periphery, excess flow pathways

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Visit **www.lac.mx** to learn more about our professional services, with more than 15 years of experience in market research..
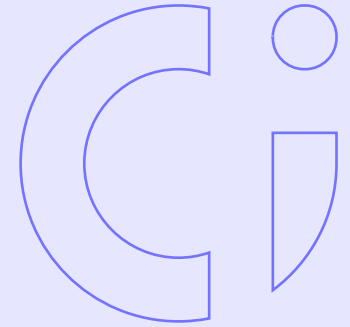
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