



# The Survival Strategy of the Theme Park in the COVID-19 Era

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## 1. Introduction

From large comprehensive amusement facilities such as Everland, Lotte World, and E-World theme parks to small and medium-sized facilities such as kids cafes and camping sites, there are a total of 2,000 to 3,000 domestic amusement facilities in Korea.

According to a survey conducted by the Korea Amusement Park Association, the number of visitors to five major water parks for a week from June 15 to 21 during second Covid year was 15,097, a sharp drop of 85.3% from 2019. In addition, sales of five major amusement facilities companies from January 20 to June 14 during 2020 were 116.1 billion won, down 60.2% from 2019.

Based on the market share of these companies, the association estimated that sales of the domestic amusement facility industry fell to 501.4 billion won during the same period. As the management of the amusement park industry deteriorated, the employment crisis of industry workers also intensified. The association said, "Some amusement facilities have more employees than visitors due to the COVID-19 incident," adding, "As

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employment maintenance is in a critical situation, it is urgent to designate special employment support industries.“

In Japan, the Amusement Park Association announced new park usage guidelines in time for reopening in 2020. Among them, the most talked-about guideline was to "prohibit screaming" when boarding rides to prevent the spread of COVID-19 through saliva droplets. Under these guidelines, Japanese amusement park promotional videos show that the user on the roller coaster remains silent and solemn even though it quickly falls from a height of several tens of meters to a maximum speed of 180 kilometers per hour.

It is understandable that reducing droplet infection is important, but users complaining that it is a kind of torture to enjoy amusement facilities without yelling at theme parks.

As such, not only Korea and Japan, but also the world's theme park market has been in a slump over the past years. Even Disneyland, called the world's most famous theme park, recorded its first deficit since its opening, reduced its business sector, and decided to lay off about 30,000 employees.

## **2. Theme park industry in the age of With-COVID-19**

Most large and small theme parks were closed due to COVID-19 and began to reopen in mid-2021. This is because most countries, except China, have eased quarantine regulations on theme parks as each country's COVID-19 policies have turned to With COVID-19. A case in point is the San Diego Sea World in the United States.

San Diego Sea World reopened on February 6, 2021 after a long period of closure due to COVID-19. Sea World is a most famous theme park in California since it opened on March 21, 1964, and it is always crowded with tourists.

In the case of Korea, Yeosu-City reported that the cumulative number of luge passengers at the Yeosu U-World Luge Theme Park exceeded 3.5 million in three and a half years after its opening. Since the lifting of COVID-19 regulations, luge

passengers have steadily flocked to Yeosu from all over the country, increasing the number of passengers.

Even in the COVID-19 era, there are theme park operators who have tried to overcome the crisis with reverse ideas. This reverse-thinking trend is a trend at the opposite point of the mega trend, but that does not mean that it is about niche markets like micro trends. It means a trend that is as marketable as a mega trend and that many people sympathize with.

The representative case is Disney. Disney is entering the metaverse platform Zepeto, Korean metaverse platform of Naver Company, selling items for a fee, and increasing contact points with Zepeto users. At the same time, however, Disneyland tried to remodel its parks extensively. Since the number of visitors to Disneyland has decreased due to the COVID-19 pandemic, it is preparing for the post-COVID-19 era by maintaining customer contact points on the metaverse. If Disney had only paid attention to the mega trend of metaverse, it would not have been able to prepare for future customers.

### **3. Implications and suggestions to theme park industry**

Technology is the factor that accounts for the biggest weight of change and innovation in theme parks. Advances in technology can solve problems in operation and management and increase efficiency, including profits. Furthermore, users can be given new contacts and unique experiences. Using technology, the theme park can control rides and various facilities, and users can get help from smartphones through a user interface with the rides.

The technology used in the theme park can be divided into two main categories. The first is a technology related to the use of various spaces and rides in the theme park, and the second is a technology that is used directly by users or for users. Considering the structure of the theme park, the trend of converting other facts into unmanned ones, except for stores and facilities where management personnel must reside, cannot be skipped. Even after the COVID-19 pandemic, demand for

non-contact and 'untact' phenomena will increase. Accordingly, theme parks have no choice but to gradually increase the proportion of unmanned kiosks, mobile orders, and payments in terms of reducing operating costs and labor costs.

Users can also conduct customized marketing by using data from their activities at the theme park. Discount coupons can be provided to users to visit the theme park again, or new rides or event information can be delivered. It is up to the theme park to analyze and utilize such accumulated offline-oriented data online.

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