

# How do economic factors affect visitors of theme parks?

Rodrigo Vilar

Economic study about Disney World's parks Visitors

# Content:

- 1. Questions & hypothesis
- 2. Approach and analysis
- 3. Limitations
- 4. Q1. Unemployment
- 5. Q2. Interest Rate
- 6. Q3. Inflation
- 7. Q4. Share price
- 8. Q5. Park differences
- 9. Q6. Family and Thrill rides
- 10. Results

# Questions and Hypothesis

- Questions to be answered:
  - 1. Is Unemployment related to Disney World visitors?
  - 2. Is Interest rate related to Disney World Visitors?
  - 3. Is Inflation related to Disney World Visitors?
  - 4. Is the Disney company share price related to Disney World Visitors?
  - 5. Are the parks having differences in how this affect them?
  - 6. Are these economic factors affect families more than other groups of travelers?
- Hypothesis:
  - 1. Yes, unemployment is one of the factors that affects people's decision
  - 2. I believe it would be a determinant for people's decision
  - 3. Answered in 2
  - 4. Since it is a highly diversified company, the share price should not be highly affected by how many visitors the theme parks division has.
  - 5. I believe Magic Kingdom will have more noticeable changes
  - 6. Family travelling involves higher expenses which makes them more responsive to economic factors

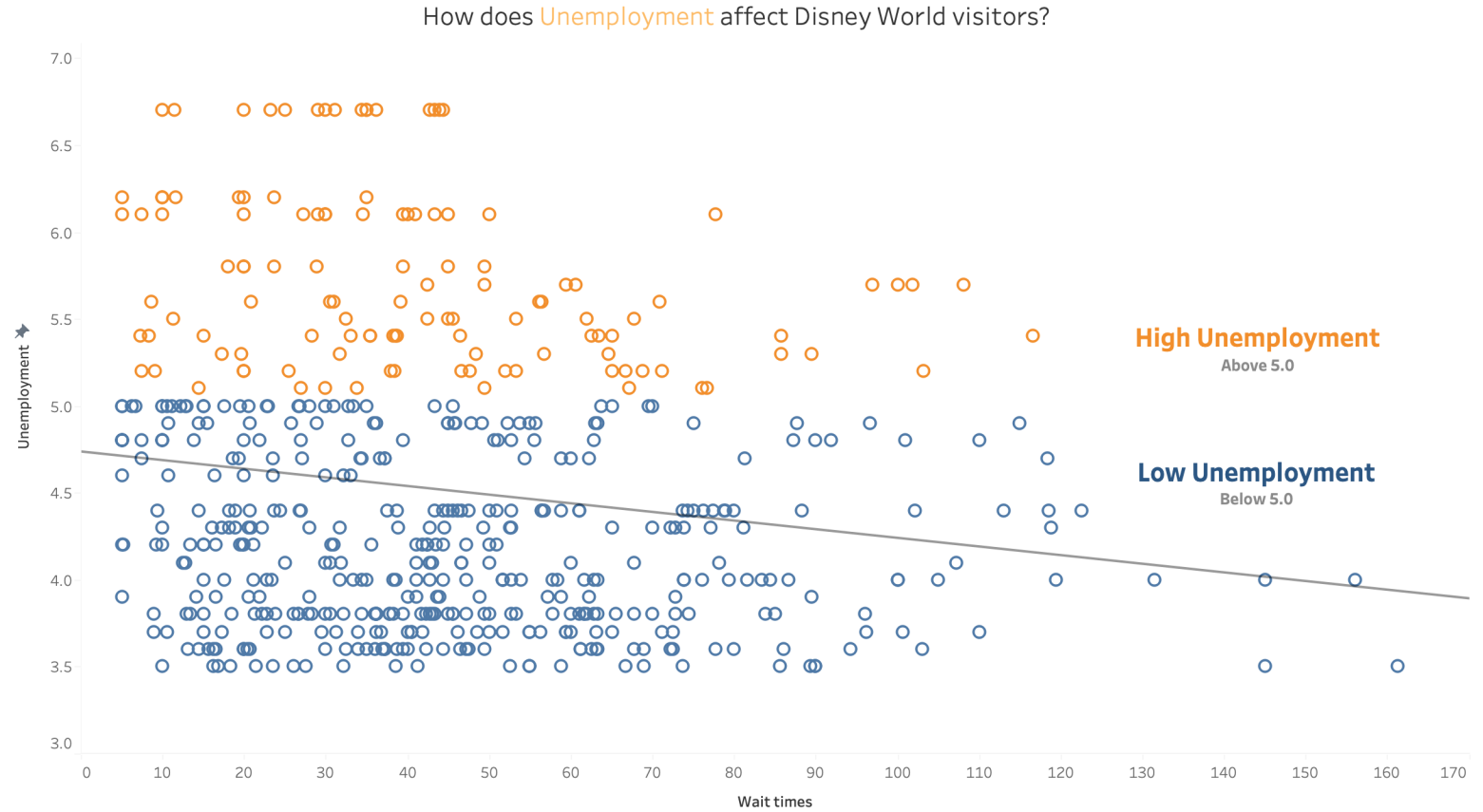
# Approach and analysis

- Data downloaded from Touringplans.com, FRED and NASDAQ
- Data cleaned and compiled in one file
- Graphical data visualization implemented

# Limitations

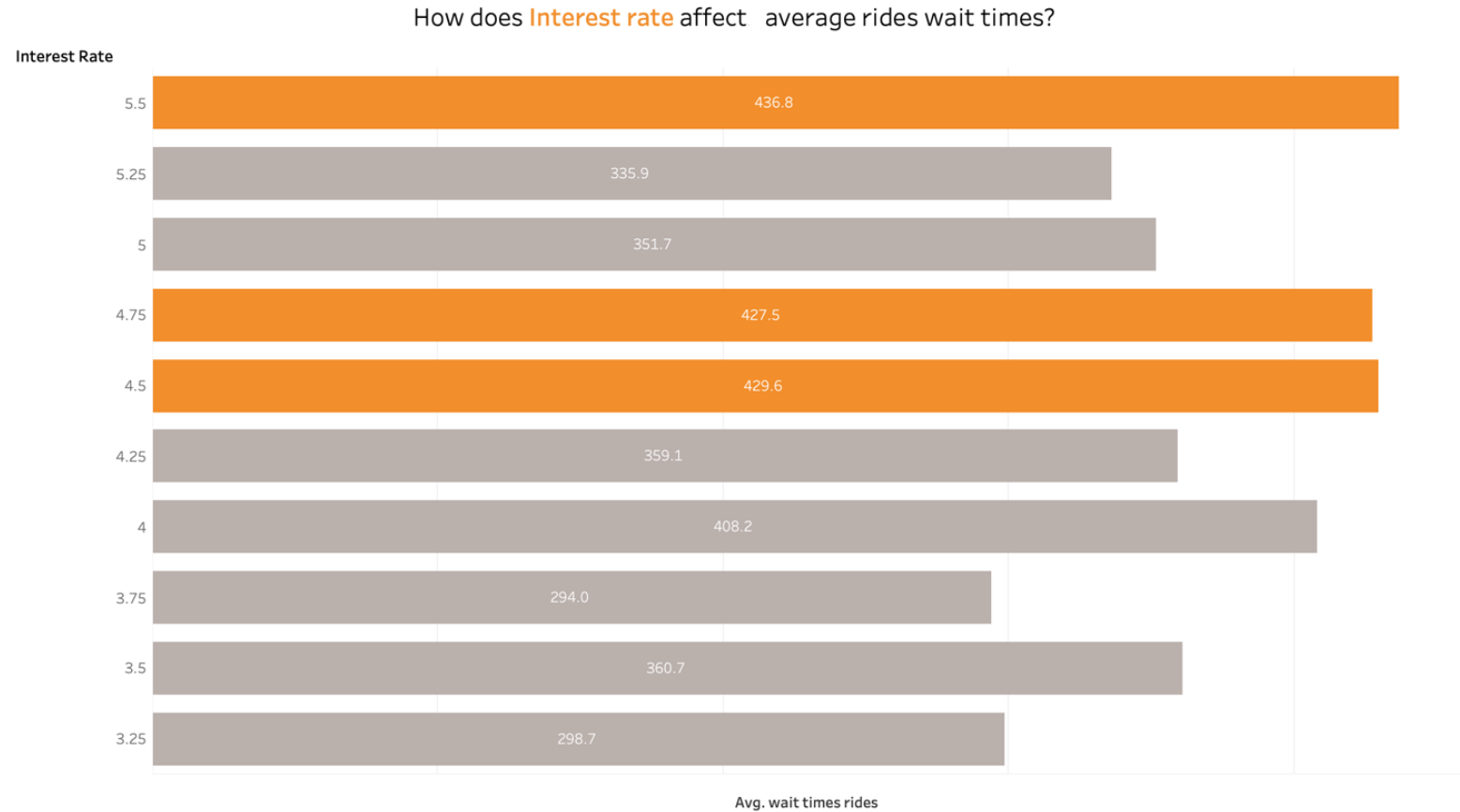
- Wait times might be influenced by other factors (closures, change in operations)
- Walt Disney Company's stock price may be influenced by external factors beyond the performance of its theme park division
- There is some data missing from certain months, especially during the COVID-19 Pandemic.

# Q1: Unemployment



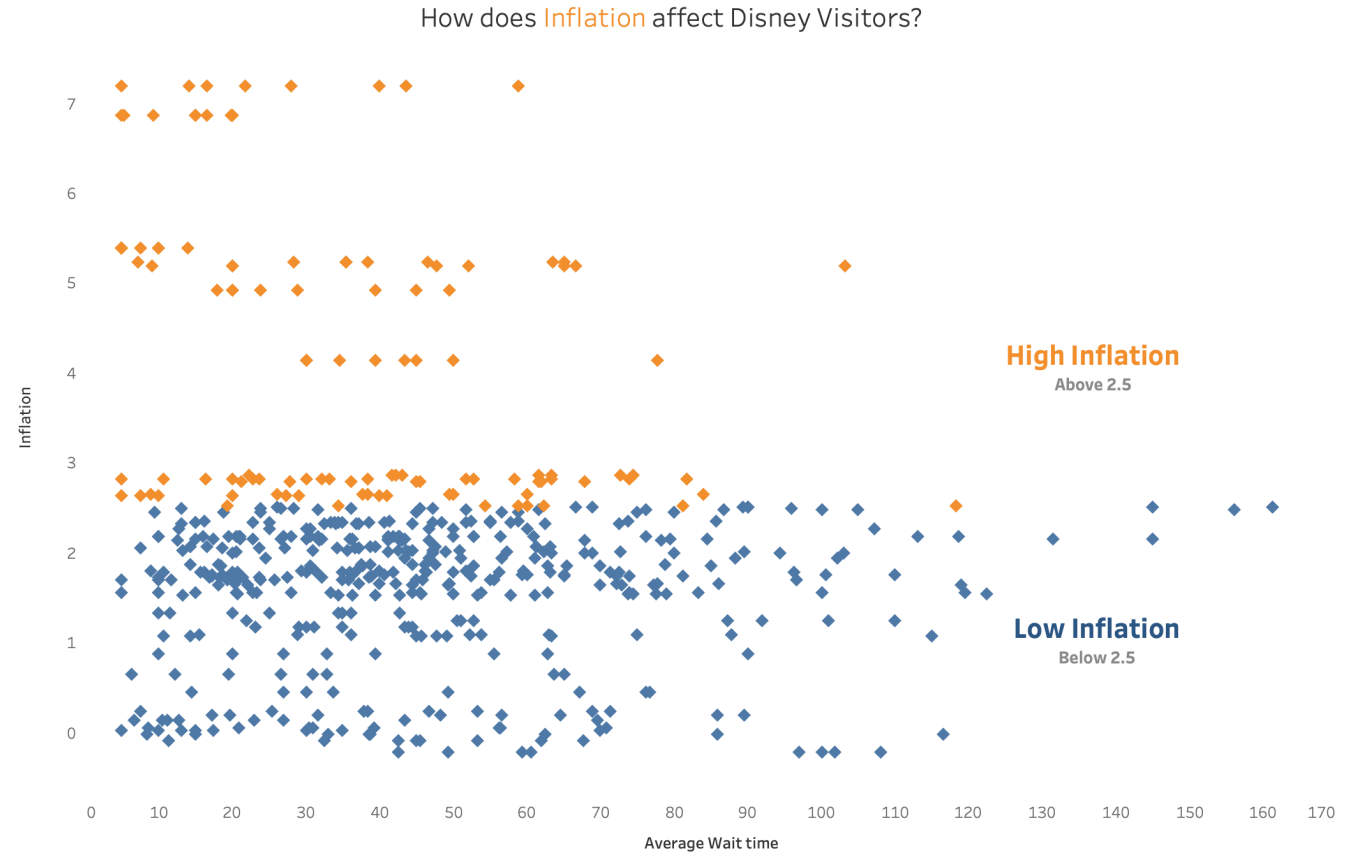
- the trend line showed a noticeable relationship, the correlation was not strong enough to make significant assumptions.

## Q2: Interest rate



- There is an inverse relationship between the interest rate and the average ride wait times. The data shows that a 5.5% interest rate resulted in the highest average ride wait times, even though it was the highest interest rate in the study.

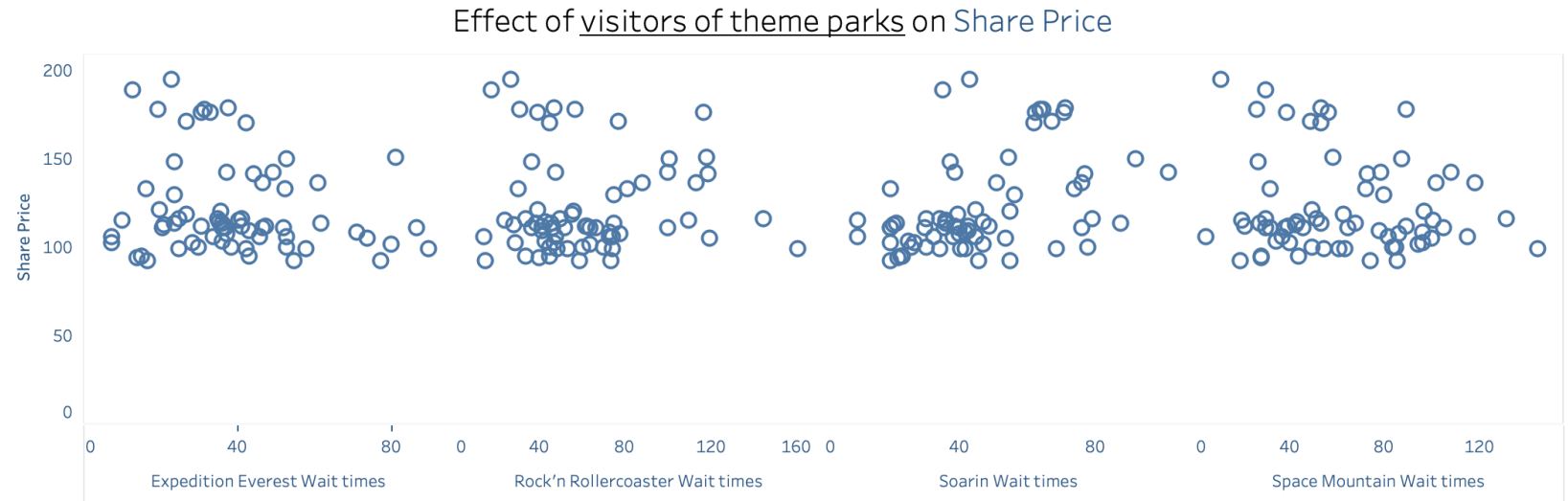
## Q3: Inflation



- The correlation seems to be present, but in a small way. It could have an effect, but not in an abrupt manner.

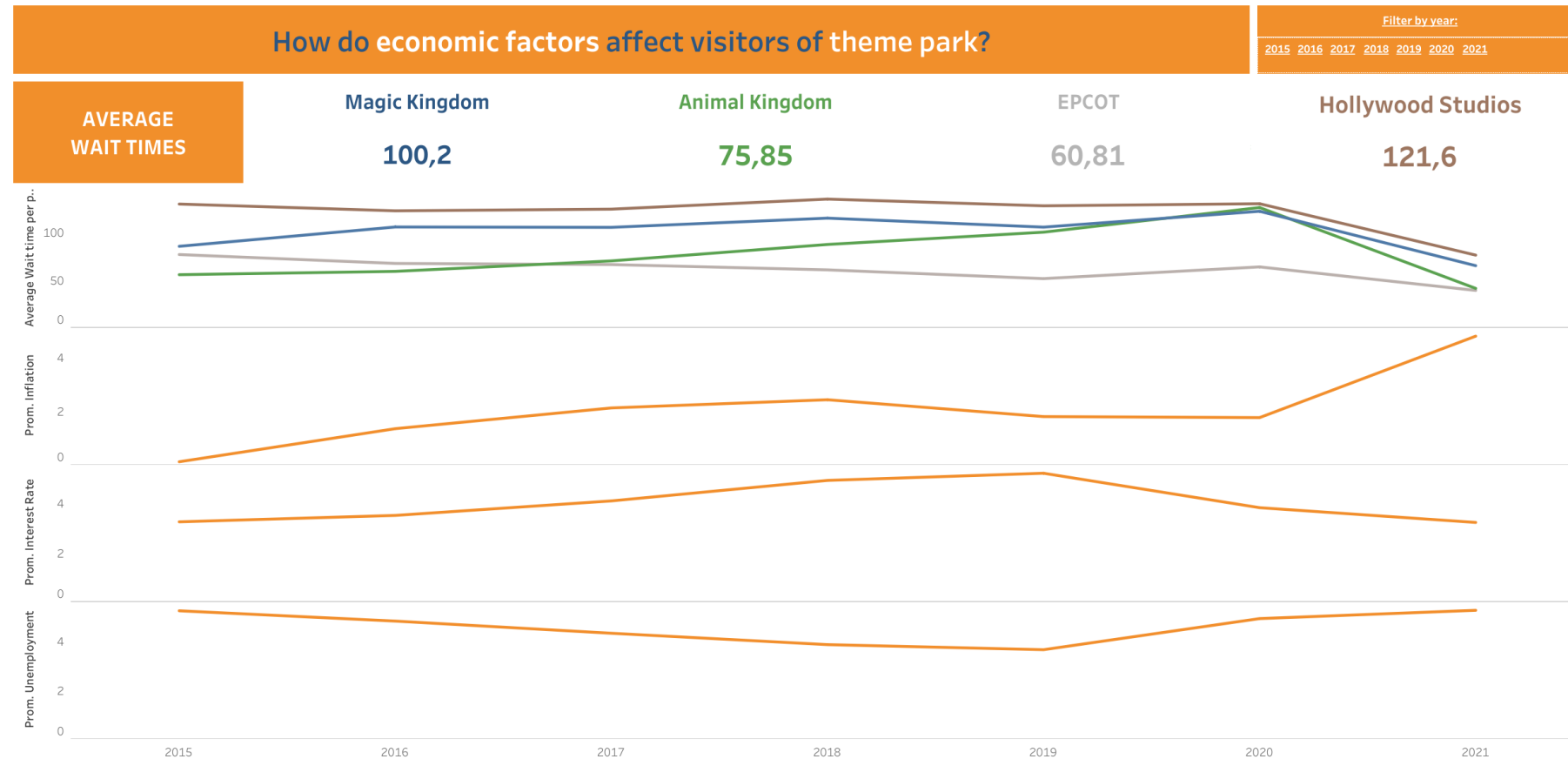


## Q4: Share price



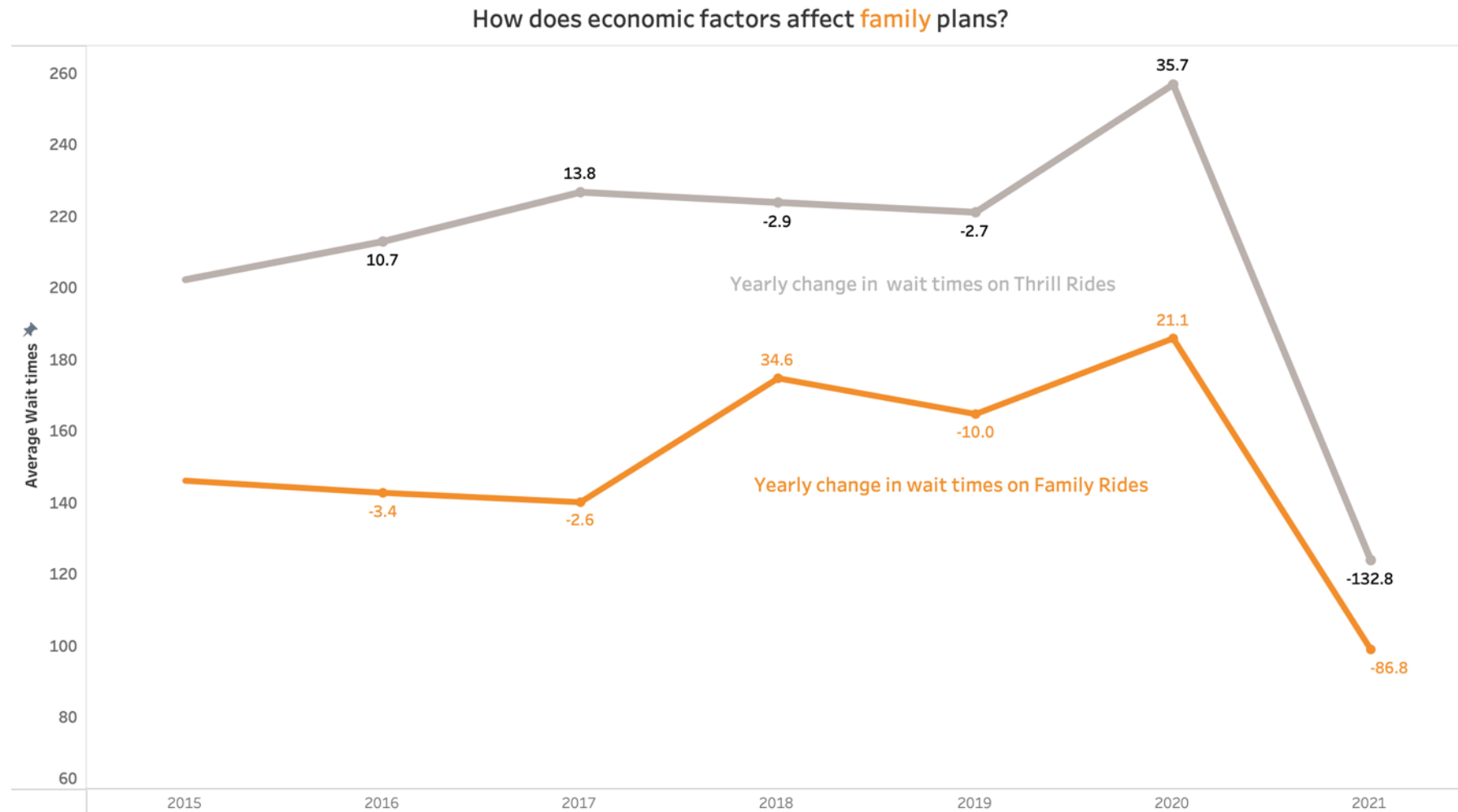
- There is no relation between Disney visitors and the share price

## Q5: Park differences



- Comparing the different parks, it appears that economic factors are impacting Animal Kingdom more significantly.

## Q6: Family and Thrill rides



- The graph shows that the economic downturn in 2021, following the pandemic, has had a more severe impact on wait times for thrill rides.