

The Sound of Nashville Amusement Park

Presented by

Viktor Czernin-Morin

Ryan Hogan

Thomas Kellner

Eric Kruglyak

Presented to

Prof. John Cary

Prof. Ken Coletti

Marist Pre-College Business Institute

Marist College

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Table of Contents

Executive Summary.....	1
Organizational Background.....	3
Planned Expansion.....	3
Statement of Principles.....	3
Management Team.....	4
Sources of Revenue.....	5
Industry & Competition.....	5
Competition.....	6
Expansion.....	7
SWOT Analysis.....	7
Marketing & Customer Analysis.....	8
Target Market.....	9
Marketing Strategy.....	10
Expansion Marketing.....	11
Products and Services.....	11
Qualities.....	12
Overall Strategy.....	12
Suppliers and Vendors.....	13
Financials.....	14
Selling Prices.....	14

Projections.....	14
Future Goals.....	15
Competitors.....	15
Conclusion.....	16
Works Cited.....	17

Executive Summary

The Sound of Nashville Amusement Park Corporation opened in 2013 in Brentwood, Tennessee as a family friendly source of entertainment. Since our opening, we have consistently been one of the leading amusement parks in the United States. Our park is designed around the musical culture of Nashville. The Sound of Nashville offers the thrill of roller coasters, and a music experience that is fun and affordable for all.

Entertainment in the United States is a multi-billion dollar industry with many different types of entertainment. Despite the profits that the entertainment industry can offer, it is still very competitive. However, no other amusement park is able to offer both the roller coaster and music experience that The Sound of Nashville provides.

In 2019, we plan to unveil our new expansion of a premium ride, The Titan, and our concert venue. By expanding, we will further differentiate ourselves from other competitors. Our target markets of families, adults, concert goers, and college students will be reached by our effective marketing strategy. We have a hands-on marketing team that is involved in the community, as well as being very active on social media and local radio stations. As we continue to expand, The Sound of Nashville will advertise to the entire country.

Our current products and services, such as rides, concerts, concessions, merchandise, and arcade games, are appealing to all different types of people and different from what anyone else can offer. By investing in the future of our park, we hope to have a greater advantage against our local competitors, but also begin to compete with parks all around the United States.

We have been financially successful because we collect a substantial amount of revenue compared to our expenses. With proper prices, such as our \$50 admission ticket, we have turned

a profit every year that we have been in business. In the future, we project considerable financial growth that will result from expansion. We expect to triple our 2018 earnings of \$11,696,500 in 2019 and earn about \$37,311,250. Going forward, we are planning for about a ten million dollar increase in earnings each year after the expansion.

Our management team of CEO Michael Eisner, CFO Eric Kruglyak, COO Ryan Hogan, CMO Thomas Kellner, and CSO Viktor Czernin-Morzin have the proper business experience that will allow The Sound of Nashville to provide the Nashville area with a family friendly source of entertainment, as well as exceptional customer service. As successful as our park has been, greater success is on the way with our expansion plans.

Organizational Background

We are The Sound of Nashville, an amusement park corporation that is located in Brentwood, Tennessee. We are only 20 minutes away from downtown Nashville, allowing for more customers to have easy access to our park, as well as surrounding areas. Our location presents an opportunity for many different types of clients; whether it be a Nashville native, or a tourist passing through. The Sound of Nashville Amusement Park is able to cater to those looking for both music and fun.

Planned Expansion

As successful as we have been since our opening in 2013, our planned expansion will add to these accomplishments. With a focus on Nashville, known as the “Music City”, our expansion will focus on a new premium roller coaster, the Titan, and a concert venue. By using innovative technology, the Titan will add a brand-new level to our current collection of five regular coasters. Our current entertainment strategy of using Nashville’s local talent will still be used throughout the park. However, our plans also include large-scale concerts with artists such as Garth Brooks, Keith Urban, and Carrie Underwood among others. The purpose of our expansion is to attract more customers to our park. Expanding will allow us to grow the park in both area and revenue. Lastly, we plan to partner with the Country Music Hall of Fame. Given that this company would be our largest competitor, we have decided to undertake this action not only to expand our horizons in customer experience, but also mitigate their effect on our revenue streams.

Statement of Principles

Our mission at The Sound of Nashville Amusement Park is to provide the city of Nashville and its surrounding area with a family friendly source of entertainment. Our vision for the future is to unveil our new premium ride, the Titan roller coaster, along with our other park rides and concert areas by 2022. All of this will be achieved by following our value statement: we believe that the way our customers feel is of the utmost importance, with customer relations representatives being available at all times. Also, as a reward for excellence in the workplace, park employees receive special benefits. With these statements in place, the Sound of Nashville Amusement Park will continue running successfully.

Management Team

The Sound of Nashville Amusement Park will be overseen by a board of directors. This board will rely on the executives of the company, especially Michael Eisner, who was the Chairman and Chief Executive Officer of The Walt Disney Company from September 1984 to September 2005. Now in 2018, he will serve as the CEO of the Sound of Nashville. As our Chief Executive Officer, Michael will be the head of our corporation and facilitate all major decisions revolving around it. Our Chief Operating Officer is Ryan Hogan, and he will manage the day to day operations of the park. Viktor Czernin-Morzin is the Chief Security Officer. In this role, Viktor will oversee and ensure the safety of all products that we provide and sell to our customers (rides, food, merchandise, etc). Eric Kruglyak is the Chief Financial Officer. As CFO, he will work to determine our budget, and deal with any other monetary issues such as payroll and the company's finances. Thomas Kellner is the Chief Marketing Officer. In this position, Thomas is responsible for activities in an organization that have to do with creating, communicating and delivering offerings that have value for our customers, investors and

business partners. Thomas and his team will use modern day technology, as well as other methods such as television advertisements and billboards, to market The Sound of Nashville Amusement Park.

Sources of Revenue

Our park collects revenue from a multitude of sources within it. This includes: tickets, packages, food and merchandise, the arcade, and a parking fee. Admission gives customers access to all regular attractions. Our food options include food from Chick-Fil-A, Waffle House, and The Turnip Truck. We offer a variety of different souvenirs and merchandise, and also have an arcade. We will continue to collect revenue from these sources, but will begin to collect revenue from other new additions. With the expansion of the park, we will start to collect revenue from our premium ride, the Titan and concert fees. Riding the Titan will cost an extra fee, while concerts will have many different prices. The expansion of our park allows for new and greater sources of revenue.

Industry & Competition

We operate in the entertainment industry (SIC Code: 71311). Our park serves the market of Nashville and its surrounding area. This includes residents of the city of Nashville and the nearby suburbs, as well as the 15 million visitors that the city attracts annually. It is home to almost 700,000 people, with a median household income of \$45,219. The Sound of Nashville Amusement Park resides in Brentwood, a suburb of Nashville. Brentwood and its surrounding towns are rather affluent, with a median household income of \$148,340. Our park is able to benefit from the wealthy area in which we are located because families in the area are rather

likely to have the resources available to indulge in a day at an amusement park on a consistent basis.

Competition

Being so close to a popular city like Nashville guarantees that there is obvious competition in the area. Even though there are competitors all around us, we are the only source of entertainment that can provide the thrill of roller coasters, along with the fun and enjoyment of a concert. A major competitor of ours is Dollywood, an amusement park/water park situated in Pigeon Forge, Tennessee, which is three and a half hours away from our location. What differentiates us from Dollywood is our proximity to the city of Nashville, as well as music being one of the primary draws. The Sound of Nashville Amusement Park has other competitors which include: Nashville Shores Water Park, Tito's Playland, and the Nashville Zoo. These three competitors are only a short distance away from our park. The Nashville Shores Water Park is located 30 minutes away from us, and their park offers different water slides, pool access, and lake access. Tito's Playland is a small, but popular arcade that is located 20 minutes away from our location, and the Nashville Zoo is also located 20 minutes away. Even though the Nashville Zoo is not in the same industry as us, they are still considered one of our competitors because of their appeal to families.

The Sound of Nashville Amusement Park is able to successfully compete with our various competitors because of our unique ability to provide a roller coaster and musical experience. In addition we will be able to give the people of Nashville a source of entertainment that they have not seen before. To position ourselves well versus our competition, we will focus

on marketing the musical aspect of our park. This will uniquely separate us from our present and future competitors by offering something that is new to all customers.

Expansion

For the long-term success of The Sound of Nashville Amusement Park and the industry in which we work, it is vital to keep our customers happy and committed. This is achieved by treating our customers with the best care possible. Our staff works hard to ensure that the park is operated safely and efficiently. To keep our customers engaged and interested, we strive to make improvements to our park. This is evident by our plans of expansion. The Titan, our new premium ride, offers a revolutionary roller coaster for all of our patrons to use, but with an extra fee. Since the Titan is a premium ride, it is more exciting than any of other regular rides. On top of this, our expansion will include concert areas that will host a variety of famous artists. This feature of our park is critical to our success because it is what will attract customers to our park, instead of just any regular park. Our concept is something that is exclusive to The Sound of Nashville Amusement Park and this will be critical for our success in the entertainment industry.

SWOT Analysis

As an organization, The Sound of Nashville Amusement Park has internal strengths and weaknesses, and external opportunities and threats. One of our many strengths is that we are in a populated area with Nashville having a population of almost 700,000, and around 16,000,000 people in a three hour radius. This area, however, has no other amusement parks within one hour. With this in mind, the populated area and its potential customers will benefit us. In addition, another strength is that Nashville is known as the “Music City” of the United States.

This status is an advantage because of our music and concert plans. A weakness of The Sound of Nashville Amusement Park is that since we have only been open for 5 years, and our brand exposure is not as widespread as it could be in the future. The same can be said about our current capital. The fact that we are a relatively new park is a weakness because we lack sufficient capital to undertake our strategic mission. This is the reason that we are reaching out to you, the investors. The opportunities that The Sound of Nashville Amusement Park have important to our future. These include the expansion of our park and how it will attract more customers, being active in our community, and being able to have an excellent partnership with the Country Music Hall of Fame. The threats to our park include: weather, the economy, and government regulation. These threats are mostly out of our control, but our park is going to have to watch out and adapt to them.

Marketing & Customer Analysis

As a fairly new amusement park, The Sound of Nashville Amusement Park values all of their loyal customers. However, we have to market to both our current, and potential consumers. By focusing our marketing on various demographics, we are able to advertise to those who we have found to be interested in coming to our park.

Target Market

Our main target market is families in Nashville and its surrounding area. The suburbs of Nashville are filled with many different types of people. The city of Nashville has a median household income of \$45,219, and a population of almost 700,000. Meanwhile, the suburbs surrounding Nashville also have high populations and household incomes. For example, Brentwood, the town where our park is located, has a median household income of \$148,340,

and a population of 40,000. The families in and around Nashville are our major customers because of their close proximity to our park, and because of the entertainment we are able to provide to both kids and families. Our concerts will attract adults and concert goers alike because of the high profile artists that will be performing at the The Sound of Nashville Amusement Park.

Our secondary market includes college students and tourists. With the Nashville area being home to several notable universities, college students make-up a large customer base during the school year (September - May). Students from Vanderbilt University, Belmont University, and the University of Tennessee come to our park looking for the thrill of roller coasters, and the fun of concerts. In addition, Nashville is a popular tourist destination, considering it attracted 14.5 million visitors in 2017. All of these tourists are potential customers for our park when they are in the area looking for a source of entertainment.

Marketing Strategy

The Sound of Nashville Amusement Park is successful because of our ability to reach out and attract customers. To market our park and attract customers, we use social media, radio, magazines, billboards, and sponsorships. The artists and the concerts that they host at our park are also a form of marketing because of the attention that they attract. Social media is our greatest platform because of its ability to reach many people. The Sound of Nashville Amusement Park uses and markets on Facebook, Instagram, Twitter, and many other social media platforms. We advertise on the Nashville Lifestyles magazine, and on 97.9 FM, one of the local country-based radio stations. Nashville is known for its musical heritage, and our park is able to use this to further our success. The love for country music in Nashville is among the greatest in

the United States. Our park embraces Nashville's musical theme, which is supported by our partnership with the Country Music Hall of Fame. According to their website, the Hall of Fame attracted over 1.1 million visitors in 2015. This partnership is unique, because it allows us to work together in a few ways and at the same time eliminate one of our biggest competitors. We are able to advertise our park at their location, as well as provide a thirty percent discount on our admission to visitors of the Country Music Hall of Fame.

The Sound of Nashville Amusement Park has a marketing team that is very hands on and involved. Brochures and coupons are around all major Nashville areas. Restaurants and stores near our location advertise our park as well. Social media outlets like Instagram and Twitter are used to target kids and young adults, while Facebook is primarily focuses on parents and adults of varying ages. With current trends toward more technology, our focus on social media is important to our marketing success. Furthermore, our park uses radio to advertise to the people of Nashville through the shared enjoyment of country music. The Sound of Nashville partners with companies such as: Chick-Fil-A, Waffle House, Coca-Cola, and The Turnip Truck. Customers of our partners will be eligible to receive special benefits and discounts at our park. Likewise, people who come to our park will be able to get discounts from Chick-Fil-A and Waffle House. To become more cost-effective for college students, we also offer discounts to people who present a current college ID. Since we aim to be a family friendly park, The Sound of Nashville Amusement Park has a daycare for families with very young children, and also gives discounts to elderly people, as well as free admission to children under the age of five.

The Sound of Nashville Amusement Park is unlike any other park in the area. We fill a gap in the market by providing high quality roller coasters, along with first-class country music.

The market of Nashville is missing an entertainment source of this kind. Dollywood, an amusement park that is three and a half hours away from our park, is the other closest amusement park to Nashville. Our park fits the need of an amusement park, but also adds a high end concert experience. While we currently market to only Nashville and surrounding suburbs, we hope to eventually market the entire country.

Expansion Marketing

With expansion, our range and way of marketing will change and increase. Since our expansion plans include a concert venue, we will be able to market the musical part of our park. Hosting concerts at our location would allow us to advertise the concert and artist, in addition to our park itself. Artists performing at our venues will be able to bring attention to our park by shouting us out on social media, and bringing their followers into The Sound of Nashville Amusement Park. We will be more active on radio, and hope to be more involved in the country music scene by appealing to our target markets.

Products and Services

The Sound of Nashville Amusement Park has many products and services that we provide and generate revenue with. We currently have three high quality roller coasters: The Predator, The Stratocaster, and The King. Furthermore, we are expanding with our premium ride, The Titan. Our rides are the main product/service that we provide to our customers, because they make up most of our park. Customers can either come for the day, buy The Ol' Reliable package, or buy a season pass to use our rides. These exhilarating coasters are complemented by various types of live music throughout the park. Smaller, local artists perform at various locations in the park and supply constant entertainment. Our concert venue is among the best in the area and

allows customers to see popular artists without having to leave the park. Various concessions are available at The Sound of Nashville Amusement Park. These include food and drinks from well known companies like Chick-Fil-A, Coca-Cola, Waffle House, Dippin' Dots, and our local store, The Turnip Truck. These options allow the customer to have a wide variety of food and beverage choices throughout the park. Transportation is available inside and outside our park. We have carts that have a series of stops inside of the park, and use local bus companies that bring customers to us because they have a stop at the entrance of our park.

Qualities

The Sound of Nashville is a state-of-the-art amusement park. We know we can offer things that other parks cannot. In general, our park is very focused on the environment. We are able to save electricity by using solar panels, and save materials by recycling. The panels keep our power demands low because we are able to supply our own. The energy produced by the solar panels provides our roller coasters with electricity for operation. The Sound of Nashville recycles materials because it helps the environment, and makes our park more eco-friendly. In addition, our food is bought from a local organic foods vendor, The Turnip Truck. We keep most of our business dealings in the United States, and therefore, we only buy from American companies. This is to ensure we are getting quality products to serve to our customers, and to help the U.S. economy.

Overall Strategy

The overall strategy of The Sound of Nashville Amusement Park is to appeal to what people enjoy, and to place attractions in strategic locations. We do this to help sell our products and services. One of our strategies is that the main arcade is located near the entrance so that

customers can start with an activity right away. Small side attractions are located throughout the park as well. These are for people to have something to do when they are walking around the park. Concessions are located by the entrance and exits of all rides. Since the roller coaster area is very busy, placing food and beverages near each ride will increase the number of people that walk by them. Souvenirs and merchandise are sold at the exits of the park. We do this to increase the likelihood that someone will buy something. It is more convenient to buy something on the way out, because they do not have to carry it around all day.

Country music is played throughout The Sound of Nashville Amusement Park. This strategy keeps the customer entertained and interested throughout the day. Our park is based around music, so we want to make sure that the music is top-notch. The food and beverages that are sold around the park are popular brands that people know and love, such as Coca Cola, our main beverage provider. Moreover, we have partnered with Chick-Fil-A and Waffle House, because they are known fast-food companies located in the south. Our strategies involving locations, food, and entertainment are targeted at making more money for our park.

Suppliers and Vendors

The Sound of Nashville Amusement Park is positioned favorably with our suppliers and vendors. All of our current partnerships have contracts of ten or more years. These long term relationships with suppliers and vendors are great for our park, because they lead to better deals and a commitment from both parties. We buy our souvenirs from National Prize and Toy for reasonable prices. We order a high volume of souvenirs from them, and this helps with lower prices. For our roller coasters, we use Triotech. Triotech is an American based manufacturer of rides, and The Sound of Nashville uses them for all of our roller coasters. They not only supply

our rides, but also are responsible for the systems that allow them to function properly and safely. Our food vendors and suppliers also work with us and give 15% volume discounts. Coca-Cola provides their signature soda machines to be placed around the park, while Chick-Fil-A has several concession locations in the park. Waffle House provides a limited menu of only their most popular items at one location in the park. The Turnip Truck provides all of our everyday food that can be bought at the park. Since they are local, The Turnip Truck delivers fresh to our park every morning.

Financials

Since we have opened, The Sound of Nashville Amusement Park has been able to make a profit each year. This is done by proper pricing, formally planning for the future, and competing well against our competition. With expansion, we expect to grow our park financially.

Selling Prices

The Sound of Nashville Amusement Park offers different prices for everything that we sell at the park. Admission is \$50, and includes the use of all regular rides. This is a fair price, considering the high quality of our rides and attractions. It costs \$7 per day to park on site. Our premium ride, The Titan, costs \$10 per customer. The extra fee for riding The Titan is due to the fact that it is a brand new ride and far more advanced than our existing rides. Our concession prices range from \$4 - \$15, and depend on which concession is being bought. A small ice cream can cost \$4, while a meal from Chick - Fil - A will cost around \$14. Merchandise prices range from \$20 - \$50, while the arcade offers 4 tokens per dollar. Concert prices are anywhere from \$60 to \$120, and the price depends on the location of the seat. The Ol' Reliable package, which includes admission and a concert ticket, costs \$120.

Projections

With expansion, The Sound of Nashville Amusement Park anticipates rapid growth in our earnings. Based on 2018 actuals, our park earned \$11,696,500 before interest, tax, depreciation, and amortization. In 2019, we project to earn \$37,311, 250. This significant increase in EBITDA is a direct result of increased revenue from our expansion. Our park is expecting to earn \$46,170,900 in 2020, and \$55,173,500 in 2021. Our increased earnings will be a result of our growing local and national customer base. The greatest source of revenue for our park is from admission, while the greatest expense is salaries and wages because we pay both the employees that work for us, and the artists that perform at the park.

Future Goals

As a growing amusement park, The Sound of Nashville is excited for what the future has in store. Our expansion will give a glimpse of how great our future will be. With a brand new premium ride, The Titan, and a high end concert venue, our park has become one of America's most popular amusement parks. These additions will allow us to attract new customers and gain more revenue. Another reason for future optimism is the growing number of partnerships with suppliers and vendors that we have lined up. Various food, beverage, and ice cream companies, such as Mission BBQ, local breweries, and Rita's Italian Ice, have been interested in supplying our park with different options. We feel that these goals regarding our expansion and increased partnerships are attainable, improving our park in the near future.

Competitors

Compared to our competitors, The Sound of Nashville has reasonable prices for what we offer. Dollywood has an admission ticket fee \$70, charges \$40 for premium rides, and offers a

season pass for \$175. Nashville Shores Water Park has an admission ticket fee \$40, charges \$50 for premium rides, and \$60 for a season pass. In comparison, The Sound of Nashville charges \$50 for admission, \$10 for a premium ride, and \$120 for a season pass. Our park offers more to the customer than Dollywood, including lower prices. The water park does not charge as much as us simply because they are a smaller park. Our prices are not overly high, due to the fact that we want to be affordable for families in the area and tourists that travel across the country.

Conclusion

After opening in 2013, The Sound of Nashville has become a premier park in the United States. We have been successful by providing our customers with an unbelievable roller coaster and music experience. The different rides, concerts, and food that we offer is why we are one of the best amusement parks in the area. Our future plans include an exciting new expansion in 2019, as well as more new and upcoming rides, partnerships, and increased customer enjoyment.

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