

Revenue Management



**Bowling
University**

TRAIN MORE. BE MORE.



Revenue Management



- **Text Book** – The art and science of predicting real-time customer demand at the micro market level and optimizing the price and availability of products
- **Basic** – Making price and product availability adjustments to achieve significant revenue gains
- **KISS** – Maximizing revenue on each and every sale
 - *Charging the right price, to the right person, at the right time!*

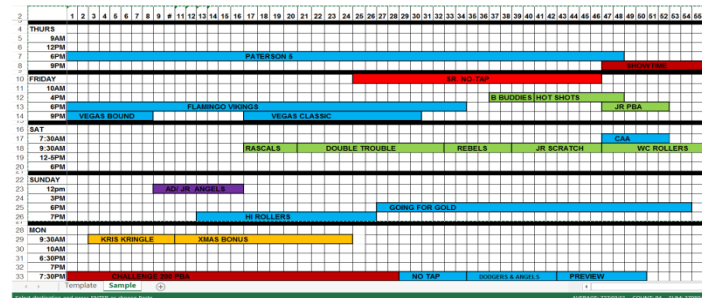
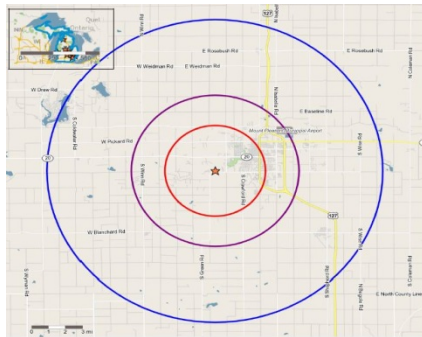
Who is using Revenue Management

- Airlines
- Hotels
- Rental Car Companies
- Cruise Lines
- Amusement Parks
- Movie Theaters
- Progressive Bowling Proprietor's



Revenue Management

- Know your market – (Demographics)
- Know your demand – (Day Part Management)
- Know your competition – (Competitive Survey)
 - Let's take a look

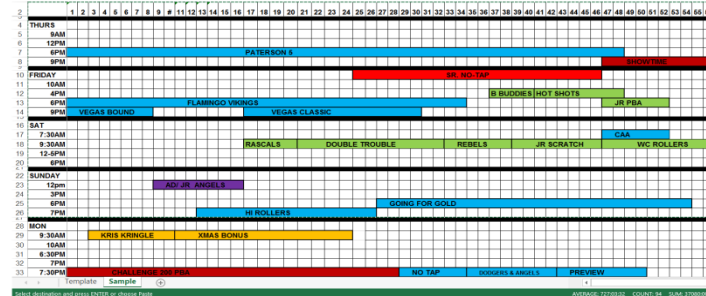
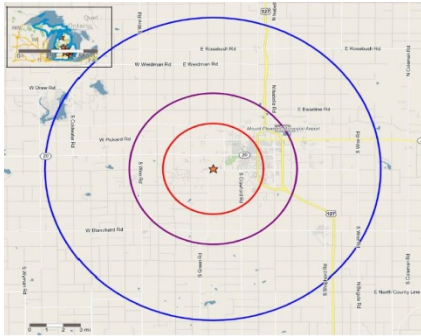


XYZ Event Pricing & Hours of Operation			
	Event	Price	Notes
Open Play Pricing			
Weekday before 6:00pm		\$2.00	
Weekday after 6:00pm		\$3.00	
Weekend before 6:00pm		\$3.00	
Weekend after 6:00pm		\$5.00	
Shoe Rental		\$5.00	
Family Package (M-F before 6:00pm)		\$10.00	
Family Package (Sat-Sun after 6:00pm)		\$15.00	
Family Package (Any other time)		\$20.00	
Special #1		\$5.00	
Special #2		\$10.00	
Special #3		\$15.00	
			Hours of Operation
			Sun
			Mon
			Tue
			Wed
			Thur
			Fri
			Sat

Revenue Management



- How can we apply this to my center?
 - Armed with the knowledge of the market, knowledge of your day part usage, and knowledge of your competitor, you are ready to establish your pricing

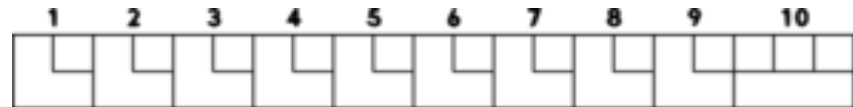


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Revenue Management



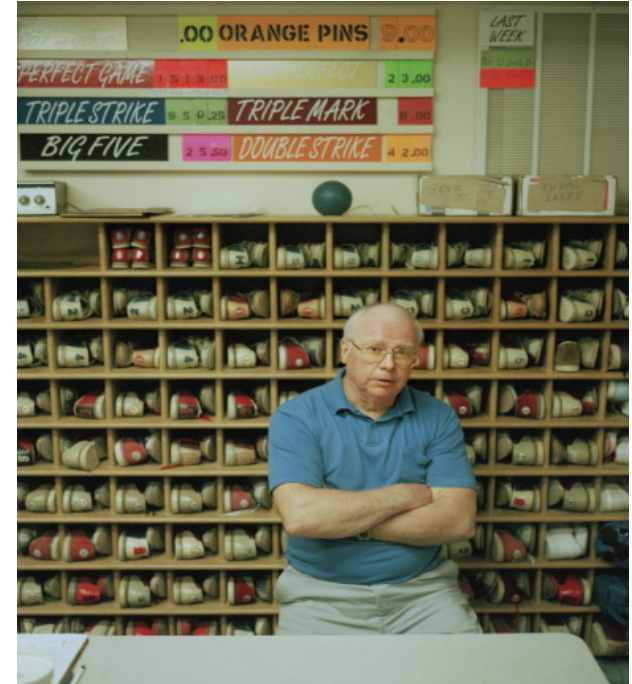
- **Time Bowling Versus Game Bowling**
 - Which is right for you?
 - Which is more profitable?
 - What will your market support?



Revenue Management



- **Pre-paid Versus Post-paid Bowling**
 - Which is right for you?
 - Which is more profitable?
 - What will your market support?



Revenue Management



- **How can you use time bowling in an established center?**
 - Birthday Parties
 - Daycare Groups
 - Corporate Events
 - Family Packages
 - Basically any package that includes bowling in it!
 - Establish a price point that gives time bowling a better value than a game to move people through - \$19.99 Hour / \$4.49 Game
- **Time & Pre-paid bowling allows for better lane turns**
 - During peak times how do you manage your greatest asset?
 - What can we learn from our friends in the restaurant industry?



Revenue Management



- **How do we manage a waiting list during peak times?**
 - Does a longer wait translate into more revenue?
- **To maximize revenue, what is the optimum time on a waiting list?**
 - 60 minutes is optimal
 - 90 minutes is the danger zone
 - 60 to 90 minutes is the recovery zone
 - Do you have a recover strategy?



Revenue Management



Additional strategies to consider...

- Open play pricing on the 9's
- Food pricing on the 9's
- Shoe rental pricing on the 9's
- Open Play Reservations
- Corporate Functions (18% service charge)
- Utopia Food Pricing Strategy.



Revenue Management



- **Pricing Considerations**
- **Pricing in bowling is demand driven**
- **Important to understand Peak Load Pricing**
- **Today's consumer is price conscious, looking for a value**
- **A 3% increase in price, with no loss of volume, equals a 20% increase in profits**

Revenue Management Exercise



- Determine the incremental revenue gain for your center.....



Thank You!



**LEARNING SO EFFECTIVE
YOU'LL NEED CROWD CONTROL.**



Fill Your Brain

Fill Your Lanes