

CASE STUDY

A movie theater chain delights movie-goers by addressing key unmet needs

THE CHALLENGE

In the early 1990s, a national movie-theater chain faced increasing competition from other cinemas, as well as the growing VHS market, which led some consumers to watch movies at home rather than go to the theater. As a result, they sought innovative ways to drive consumers to the theaters and encourage them to choose their theaters over those of the competition. Recognizing the importance of letting an in-depth understanding of consumer needs guide innovation, the theater sought to identify a full range of unmet consumer needs related to the movie-going experience. They believed that such an understanding would allow them to develop innovative product and service ideas that would make a difference to consumers. They turned to Applied Marketing Science (AMS) for help.

WHAT WE DID

The theater partnered with AMS to conduct a research study with the goal of understanding consumer wants and needs surrounding the movie-going experience, including movie selection, ticket purchase, parking, service, concessions and the in-theater experience. AMS designed and led the initiative, which involved:

- In-depth interviews and ethnographies (e.g., observing consumers at the theater) to identify a complete set of consumer wants and needs
- A quantitative survey where consumers prioritized wants and needs relative to their importance and the level of satisfaction with the movie theaters they frequent
- Identifying priority needs to focus on to differentiate the theater from the competition and drive increased sales

THE OUTCOME

Following our systematic method, we established that the most important unmet needs included having an unobstructed view from anywhere in the theater, no sticky floors, a spacious feeling in the theater and the ability to get more in the way of refreshments than simply popcorn and candy. These findings led to the invention of stadium seating, which addressed the issue of having an unobstructed view. In fact, our client piloted stadium seating in a small number of theaters, and it was an immediate success. Eliminating sticky floors led to the installation of cup holders on all seats, which minimized the spilling of soda, the main cause of sticky floors. They addressed the need for creating a spacious feeling in the theater by increasing the size and comfort of the seats. Additionally, they addressed the need for more refreshment options beyond popcorn and candy by offering a much wider selection of food and beverage choices, including premium brands. Although now commonplace in most movie theaters throughout North America and the rest of the world, these innovations revolutionized the movie-going experience at the time. Our client differentiated its theaters from the competition and transformed the theater experience as a result.

CLIENT

A national movie theater chain

INDUSTRY

Travel, Logistics and Hospitality

SERVICES

Voice of the Customer

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