



***Product and service planning***  
***Movie theatre chain product plan***

**Situation:**

As Marketing Department team supervisors for a three-outlet multiplex theatre business, you have been examining the record of decreasing income over the past two years. The company president has asked you to develop new sources of income for the theatres, which may offset any losses due to lack of ticket sales.

Your team is aware that advertising before films start, as well as merchandise and food sales in the lobby, are important revenue generators. Currently the theatre makes money from these basic “products”:

- 1- Ticket sales (although the first week’s sales go directly to the film’s studio)
- 2- Popcorn, drinks, and other food items
- 3- Ad revenue paid by businesses for commercials shown along with the “trailers”
- 4- Souvenirs and movie products (hats, tee shirts, DVD’s) sold in the lobby
- 5- Video games in lobby “arcade” area

**Instructions:**

Assessing the current product lines, what changes or additions would you make? How could they be marketed more effectively?

Develop a plan to identify and market the range of products the theatre chain has, as well as incorporate any new products that you identify.

You will have 30 minutes to prepare your ideas, and 15 minutes to present them to the theatre owner (judge).

**Student Benchmarks:**

- 1) Evaluate needs of target market
- 2) Determine appropriate product/services
- 3) Demonstrate creativity
- 4) Explain benefits of product/service selections