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Allendale Movie Theater

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Allendale Movie Theater

Current Situation

Currently, Allendale, MI is without a movie theater that charges admission. The options for Grand Valley State University students or Allendale residents to view a newly released movie are as follows: Celebration Cinema in Grandville, MI (11 miles), Celebration Cinema in Grand Rapids, MI (16 miles), or the Goodrich Theater in Grand Haven, MI (16 miles). For a large university to not have a movie theater in the immediate surrounding area is highly unusual and frankly inconvenient for students. Students do have the options to view movies for free in select locations around campus. For example, the Kirkhoff Center rotates movies periodically in their own mini theater. There is also a theater located in the off-campus apartments of Campus View's "Off-Kirk" and in 48 West's front entrance. These theaters are only meant for access by students who live in these apartment complexes.

The lack of a movie theater in the Allendale area is the problem that I wanted to tackle with this project. This issue combined with my sparked interest in marketing research seemed like an exceptional opportunity to potentially solve a community-wide matter. The question I want answered after analyzing the results of this survey is, "Is there demand for a movie theater in Allendale, MI?"

Survey Creation and Distribution

Creation

The first step was determining the method for sampling. I chose a non-probability, convenience sampling method. Non-probability simply means that my sample of survey responders will not be considered random. The convenience sample refers to that fact that I will be choosing responders who are easily accessible, and once again will not be seeking to fulfill a random draw of people. In order for a sample to be entirely free of bias, it should be random. This is important to note so that sampling error does not go undetected.

The targeted sample size for this survey was 384 responders. This was determined by the standard sample size formula:

$$n = \frac{(z^2(pq))}{e^2}$$

In this formula, “z” is representing the z-score 1.96. The variable “p” and “q” are representing values to determine the largest possible sample size, p = 50% and q = 50%. The variable “e” is representing a 5% variance for sampling error. After plugging these values into the equation, it was determined to have a targeted sample size of 384.

The survey was created on Qualtrics.com – survey software provided by Grand Valley State University. To create a survey that was easy-to-follow and unambiguous, I wrote short questions with simple sentence structure. I also avoided the use of words such as: all, always, anybody, best, and worst. These words can alter results by leading the reader towards a particular answer. To vary the types of data received from the survey, I asked questions in four different styles. These are: nominal, ordinal, interval, and ratio questions, each of which serves a different

purpose. Each type of question provides data that can be analyzed in separate ways and provides answers to distinct types of overlying questions. For instance, nominal questions are ones in which the user only has to choose between options that have no ranking or positional value. These questions often relate to demographic questions, but can also be simple “yes or no” questions. Interval questions provide answer choices such as, “highly likely” and “highly unlikely” with a scale of other options between. These questions help gauge the likelihood of the participant acting on certain tendencies.

See attached document for full list of survey questions and answers.

Distribution

In an ideal scenario, the survey would have been distributed based on a random sample of the Allendale population. Due to lack of resources, such as time, funds, and local’s contact information, a convenience sample was substituted.

All of the surveys were distributed electronically. Some responders were notified of the survey via Facebook while others were notified by email. Email addresses were selected from class lists as well as mass email sources on GVSU Blackboard. As an incentive to participate in the survey a \$25 Visa gift card was awarded to one random respondent. The contact information provided for contest entry was in no way linked to survey answers.

Survey Results

Demographic Information

After the survey was closed, there were 213 surveys that were started and 187 that were completed. Since the target number of participants was not reached, there is a greater likelihood that this sample does not fully represent the entire population and has a higher likelihood of error.

Of the responders who filled out the demographic portion of the survey, 74% were female and 26% were male, 94% were between the ages of 18-25, and 64% live within five miles of Allendale.

Results Summary

Once again, the purpose of this survey was to determine the amount of demand for a movie theater in Allendale. 82% of responders marked that they go to the movie theater (any location). This gives a baseline for the next question of, "Would you attend a movie theater in Allendale?" to which 78% of the responders replied, "yes". If the survey taker marked, "no", they were asked a follow up question of, "Why not?" The majority of the answers to this question were because the theater would be too far. Based on these responses, it is likely that these people live closer to the Grand Rapids or Grandville theaters and are not apart of the target market. Based on the survey results, it is likely to assume that the people who live in or within five miles of Allendale are interested in having a movie theater. The responders noted that price of movie tickets is the most important factor when deciding whether to go to a movie theater and location of the theater is the second most important.

The survey continues by asking questions about general habits of the consumers. This allows for making educated recommendations on how to proceed with various marketing and advertising techniques.

Marketing Recommendations

Social Media

The results showed that Facebook was by far the most popular social platform among the responders. Twitter, Instagram, and Snapchat were also rated highly. Based on the results, I am recommending that the (hypothetically constructed) Allendale Movie Theater (AMT) have a strong presence on these mobile sites. I have produced a faux Facebook page for the theater along with posts that would help create buzz and draw people to the page and eventually into the theater. These posts include a Grand Opening event with discounted tickets and popcorn, sharing Facebook posts to win free tickets, and movie trivia to win free tickets. Photos of the Facebook page are attached.

Local Connections

When asked what the most popular place for the responders to eat in Allendale, the number one choice was Jimmy John's. Due to this, I have created a business card sized flyer that will be on the cashier's station at the Allendale Jimmy John's. This card will enable the user to receive 10% off of a student ticket at the AMT. This will form a partnership between the AMT and Jimmy John's. The partnership will increase traffic into both locations.

I have also created a program that allows students who have ticket stubs from the GVSU football game to get free popcorn with the purchase of a student movie ticket. After football

games, students are looking for a place to spend the rest of their night. The added incentive of free food will be the focal point of this promotion.

Grand Opening Event

This will be an event on the opening night of the AMT. The ultimate goal of this event is to get as many people into the theater as possible. To do this, there will \$2 movie tickets and \$1 bags of popcorn. Another goal of this event will to give the customers an experience that they enjoy so much that they come back as repeat customers.

Conclusion

The survey results indicate that it is likely that there would be an interest by the people who live in or near Allendale, MI to have a local movie theatre. The other survey questions indicate that a pricing model that includes discounted tickets and social promotions that would have free ticket giveaways would be a popular way to connect with the target audience. This report and presentation will be further explained and fine-tuned in order to present to potential builders of an Allendale Movie Theater.