

# Laser Tag is Dead...

## Long Live Laser Tag!



By Erik Guthrie  
VP of Zone LaserTag

Erik Guthrie has nearly 25 years in the laser tag industry serving in many capacities. Starting out as a part-time game marshall in 1993, for the past 14 years, Guthrie has been Vice President of Zone Laser Tag, a global leader in laser tag manufacturing. (The company says it has 40 percent of the world market.) In addition, he was the Executive Director of the International Laser Tag Association for seven years and is also an owner/investor in several laser tag facilities. Guthrie has been quoted in the *Wall Street Journal*, *Inc. Magazine*, *Fast Company*, as well as numerous trade publications. He serves as the curator of the Laser Tag Museum and was recently featured on the hit television show *Storage Wars*. He owns and chairs the annual Laser Tag Convention. Guthrie is also involved in the R&D of the laser tag experience now enjoyed by millions of players every month around the world.

**W**hat sets high-earning laser tags apart from all the others and why are some bowling centers doing \$800,000 or \$1 million in laser tag sales while others are only doing \$150,000?

After 35 years, it's clear that the laser tag industry has hit a maturation stage. It's become synonymous with FECs. There are a variety of arena-building/theming companies, as well as a good number of laser tag manufacturers. In fact, at the European Amusement Show last year in Amsterdam, I personally visited at least a dozen laser tag equipment makers; at IAAPA last November, there were at least 10, both indoor and outdoor.

### Competition

We're definitely in a mature, crowded market. In most cities now, you're going to have a bowling center that's adding laser tag competing with a trampoline facility two miles away that's going to add it and two or three miles away from that, will be a roller skating rink that's putting in laser tag as well. I'm really not exaggerating. When I attended the Houston, Texas, Foundations Education University in October, I spent another three days visiting 26 laser tag locations. In Katy, Texas, there are four within six miles of each other.

The number of locations that are out there are pretty shocking as far as I'm concerned. Here on the north side of Indianapolis, we've got Laser Flash and then, less than two or three miles from that, you've got Woodland Bowl. Less than a mile and a half from that you have Main Event. Less than a mile and a half from that, you have X-Site, and probably two miles away from that you have Bowl Three-Two-Fun! That's five on the north side



of Indianapolis alone.

Indianapolis has a population of 1.1 to 1.2 million people and we've got five laser tag facilities on the north side alone. Add to that two or three on the south side (Zip City, Expo Bowl, and I think one more that's being built). All of these are competing for business.

It's not just in major cities that you see this happening. In secondary markets, we're starting to see laser tag go into a trampoline park, a bowling facility and/or roller skating. Theaters are looking to add laser tag in crowded markets.

So, my reason for saying "laser tag is dead" is that conventional wisdom says that when everyone is doing the same thing, it's dead.

*Fortnite* is a hot game, and I think I can now officially say it "was" a hot game. The game has been a sensation and from a marketing point of view, just look at how many people play games and what a huge percentage of those play *Fortnite*. The problem is society is fickle — and teens are even more fickle — so these particular young boys have already moved away from *Fortnite*.

It's sad when I go to laser tag education classes and hear arena builders say, "Oh, we're going to build you a *Fortnite*-style arena." Well, great. You've just spent a quarter of a million dollars on an attraction themed around a sensation that's passed just as *Halo* and *Call of Duty* have "passed" among avid gamers. Now certainly, there's a chance for them to come out with *Halo 5* and *Call of Duty 4* and other versions of popular titles. Certainly the title owners want to resurrect those IPs and bring them back to life, but my point is that at the end of the day, finding how pervasive laser tag has become is a bit scary.

This is especially true if you're just doing what everybody else is doing, building the arena with the same company your competitors have used and you're putting in the same equipment everybody else has used. You're going to be in a sad state.

To me, that's a sign that the laser tag industry is "dead" is that it's lost its novelty factor. What made laser tag hip and cool was novelty. It wasn't so readily available, and because of that, when you went to do it, your adrenaline was really, really flying. Similarly, I believe escape rooms are on the decline and business people aren't as interested in building them as they once



were. The same with laser mazes. They aren't as exciting and growing as rapidly as they once did.

The amusement industry has a whole history full of attractions that were hot at one time and then weren't. VR is hot right now, but you can look back at industry trade publications from the late 1990s and read about how hot VR was. Then, it collapsed and faded. Now, we're at VR FEC 2.0.

So, we as an industry are at virtual reality in its second resurrection compared to what we saw in the late '90s and early 2000s. VR was dead for a while, but has now resurrected itself. When I say laser tag is dead, what I am saying is that it has become commonplace.

## Consultants

Laser tag is also dead because a lot of consultants helping fun centers select and install the attraction don't know enough about laser tag equipment or get competitive bids for their clients.

A consultant wants to do business with people they know, and that's partially

what they're selling: If you hire me as a consultant, we're going to put you in with the same providers

I've worked with before because they've always delivered. There's a certain amount of risk aversion in the investment, so the location owner says, "Oh, that makes sense."

Particularly with laser tag, manufacturers are pretty equivalent in many aspects – durability, reliability and playability. Therefore, they have to become differential in either feature sets or pricing. Most consultants don't want to learn feature sets, and they don't shop pricing. If a buyer, an investor, were to hire a consultant today, they're not actually going to get the best price nor are they going to get the best features.

Many laser tag projects came to fruition based off of hiring consultants who don't deeply understand laser tag arena playability nor equipment and feature sets. They basically have developed a relationship with a builder of arenas and a maker of laser tag equipment, and then they just put those vendors in. Each vendor is under no pressure whatsoever to provide a more competitive bid, which results in the investor paying near top dollar for both the arena and the equipment. Because the investor pays near top dollar, the attraction takes longer to get a return on investment.

The consultant doesn't understand the feature set of the equipment. And the sales person for the laser tag equipment and the salesperson for the arena aren't directly interacting with the client, so they don't really

get the chance to explain what they're going to do to the design to make it different or unique or unusual other than, "Well, we'll give it a different theme from the last project we put in two miles away from you." There are exceptions, of course, but you get the point.

## Complacency

The third factor leading to the death of laser tag is the "set it and forget it" mentality which I harp on all the time. (For more, read previous Briefing Room columns).

The operator of the entertainment center has been told he'll make X amount of dollars with the laser tag arena and when they don't, they don't go fix it. They don't go play in the arena, they don't have their center's "laser tag champion" involved, they aren't even effectively marketing the attraction on their website. They're just accepting the status quo.

Another "C" in our discussion of laser tag is "convention," which connects with this thought of complacency. There are a number of educational opportunities for laser tag operators that are run by equipment makers and attraction/arena providers. Just as you'd expect, they promote their own services in these sessions. I'd do the same thing. But, with a convention, you're going to have an education format designed to present unbiased information to help operators of every maker's equipment make more money. The sad thing is that operators aren't taking advantage of these

convention opportunities. They aren't sending their GM or their laser tag champion, they aren't networking and meeting other people, learning new ways of doing things, problem solving techniques and marketing ideas.

Think about other conventions. Bowl Expo doesn't promote U.S. Bowl over QubicaAMF over Brunswick. The roller skating association's convention doesn't promote one skate brand over another. The Laser Tag Convention doesn't promote one manufacturer over another. And all of these gatherings offer educational sessions with panelists from multiple companies presenting information.

So if you accept that a convention is the best all-in-one location to get unbiased information and learn from others in the same line of business as you, why aren't more center owners sending their people to them? It's because they're complacent. They've accepted whatever earning level they've achieved – even if it's lower than what they were led to believe – as acceptable.

Complacency leads to a lack of marketing of the laser tag arena within the location and on its social media platforms. It leads to the lack of playability, the lack of regular repairs to the arena, the lack of equipment maintenance, the lack of atmospheric fog to enhance play and the lack of proper staff training. In a number of fun centers, they treat assignment to the laser tag arena as punishment! "You were late for the third time,



**Conventions** provide a great way to combat complacency, providing attendees with updated product and operational information, a chance to network, marketing ideas, seminars packed full of tips and more. This photo was taken at the 2018 Laser Tag Convention in Las Vegas.

Johnny. Now go work the laser tag arena." It's all of those aspects of complacency that is making laser tag "dead" today.

They're sending people to educational conferences to pick the nuggets of operational strengths. They're involved with Facebook and

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### Correlation

Is everything that we just talked about the reality? There is definitely an effort among operators out there to provide an amazing laser tag experience. There are operators who are looking at their arenas, their equipment, and their training. They're looking at their staff and their marketing, and they recognize that they want to be better. They're sending people to laser tag conventions.

LinkedIn groups for laser tag operators.

There's definitely a percentage of operators out there who either recognize the deficiencies or don't ever want to have those deficiencies that they have to overcome in the first place. There is an amazing amount of knowledge being shared, though right now, it's just being shared by a small minority in public forums.

There's no effort to withhold this knowledge, it's just that it's only when operators become exasperated or desperate that they start seeking this information out. Some operators right out of the gate have a good grasp of what operational issues some centers have and have decided they never want their center to be that way. They're being very proactive and engaged, trying to get this right from the start.

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