

Behavioral Economics of Family Entertainment Parks: How Families Choose, Pay, and Return

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Abstract

Family entertainment park purchases are rarely single, fully rational decisions. Families choose among venues, admission structures, packages, memberships, premium attractions, food, birthdays, and add-ons while different family members exert different levels of influence. This article applies behavioral economics and consumer psychology to the FEC context. It examines dual-process judgment, mental accounting, reference dependence, framing, defaults, choice overload, salience, peak-end effects, and the difference between experienced utility and retrospective satisfaction. The paper argues that behavioral economics should be used to reduce friction and make value easier to understand rather than to obscure prices or exploit children. It introduces a Family Entertainment Choice Architecture spanning pre-visit, purchase, on-site, and post-visit stages and shows how design can guide families toward physically active, creative, collaborative, and progressive experiences. Ethical choice architecture can improve both commercial outcomes and the developmental quality of the visit.

Family Entertainment Decisions Are Behavioral

A family entertainment visit can contain many linked decisions: which venue to choose, when to go, whether to buy a package, whether to upgrade, what to eat, which attractions to prioritize, whether to join a membership, and whether to book a birthday. These choices are made under uncertainty because families do not know exactly how much they will enjoy the experience until they consume it. Children and adults also influence different parts of the decision (Flurry, 2007).

Behavioral economics challenges the assumption that people always process every option through complete, stable, utility-maximizing calculation. Kahneman's dual-process account distinguishes fast, intuitive judgment from slower, effortful reasoning and synthesizes a large literature on heuristics and biases (Kahneman, 2011). In FECs, many decisions are made while parents are managing time, children, waivers, noise, queues, and social pressure. Simplification is therefore not merely a marketing tactic; it can materially improve the experience.

Mental Accounting and the Architecture of Spending

Thaler's mental-accounting framework describes how people mentally categorize and evaluate expenditures rather than treating all money as perfectly fungible (Thaler, 1985). Family entertainment naturally produces multiple accounts: admission, food, birthday spending, arcade credits, merchandise, and memberships may be psychologically separated even when they come from the same household budget.

This has practical implications. A mandatory \$10 fee added late in checkout may feel more aversive than a transparent \$10 increase included in the stated admission price because the former violates

the expected account and creates a sense of surprise. Conversely, optional premium experiences can be evaluated as discretionary purchases if the base product already feels complete. Operators should therefore distinguish commercial categories clearly and avoid hidden mandatory charges.

A development-rich park can also separate purchased currency from earned recognition. Money or tokens can pay for premium generation, food, or merchandise, while achievement points can be earned through challenges, creativity, leadership, or persistence. Keeping these concepts distinct prevents the reward system from becoming simply another spending mechanism.

Reference Prices, Framing, and Transparent Value

Consumers evaluate prices relative to references. A family deciding between a single attraction, a three-attraction package, and a membership does not assess each option in isolation. The options create a comparison set. This can be useful when the reference values are transparent. Showing what individual activities cost and what a bundle includes helps customers understand the source of savings.

Behavioral framing becomes ethically problematic when it depends on deceptive comparison prices, fabricated scarcity, or mandatory costs that appear only after commitment. The stronger application is clarity: show the use case for each option, explain what is included, and design one or two recommended paths for common visitor types. For example, the interface can label a package 'Best for first visit' and a membership 'Best for families planning two or more visits per month' when those statements are mathematically supportable.

Choice Overload and Decision Friction

More choice can sometimes reduce the likelihood of choice or satisfaction with the decision, although the effect depends on context and is not universal. Iyengar and Lepper (2000) provided influential evidence that very large assortments can attract attention while reducing subsequent selection or motivation in certain settings. FEC checkouts often create precisely the conditions in which excessive choice becomes problematic: multiple admission types, socks, waivers, age rules, credits, upgrades, timed attractions, food packages, birthday offers, and memberships.

The response should not be to eliminate customer control. It should be to layer complexity. A simple default path can work for most families, while more detailed customization remains available. This approach is also valuable on the attraction floor. A child facing 30 unrelated options may benefit from a recommended mission, interest-based path, or next challenge while still retaining the freedom to deviate.

Experienced Utility, Memory, and the End of the Visit

Behavioral economics also matters after purchase. The value experienced moment by moment is not identical to the retrospective summary a person gives later (Godovykh & Tasci, 2020b). The peak-end literature demonstrates that memorable peaks and endings can influence retrospective evaluation disproportionately (Kahneman et al., 1993). Post-visit emotions can also affect loyalty (Godovykh & Tasci, 2021).

This suggests that operators should not focus only on conversion. A package that sells well but creates confusing queues, overpacked schedules, or a stressful departure can damage the later decision to return. A membership acquired through aggressive discounting may churn if the child experiences no progression. Conversely, a visit that ends with visible achievement, a child-created product, a positive family moment, and a clear next challenge can create a stronger continuation cue.

Choice Architecture for Better Activities

Behavioral design can also influence what families do inside the park. A conventional layout may make passive or immediately stimulating options the easiest to find, while creative or developmental activities require more effort to understand. The operator can invert that architecture without forcing participation.

A default family mission might include one physical challenge, one creative task, and one collaborative activity. A digital profile can recommend the next skill level. Rewards can recognize persistence, creation, helping, or presentation rather than spending alone. A parent can see which activities match the child's interests. These interventions use salience, defaults, feedback, and goal gradients to make richer experiences easier to choose.

The ethical principle is crucial: nudges should preserve meaningful choice and should not exploit children's limited commercial understanding. Thaler and Sunstein (2008) frame nudges as changes to choice architecture that alter behavior predictably without forbidding options or significantly changing economic incentives. In family entertainment, the most defensible nudges reduce confusion, increase transparency, and make beneficial participation more accessible.

Decision Stages		Behavioral Mechanisms	Design Implications
1	Choose the venue	Family influence and social proof	Clear positioning and differentiation
2	Choose the day / time	Convenience and present bias	Frictionless booking and timing
3	Choose admission or package	Reference prices, mental accounting	Transparent packages and best-value options
4	Buy food and extras	Defaults and add-on framing	Simple menus and visible choices
5	Consider membership / birthday	Sunk cost, bundling, loyalty logic	Membership as progression, not only discount
6	Decide whether to return	Peak-end memory and satisfaction	Engineer strong endings and reasons to return
 Guiding Principle Use behavioral economics to reduce friction and clarify value, not to manipulate families with hidden fees or confusion.			

Research Agenda

Behavioral economics in family entertainment should move beyond generic pricing advice toward controlled tests with clear ethical standards.

- Test whether simplified package architecture reduces checkout time and abandonment without reducing perceived autonomy.
- Compare transparent bundle framing with conventional discount language on trust, conversion, and post-purchase satisfaction.
- Study how children and parents divide influence across venue choice, on-site purchases, food, and return decisions.
- Measure experienced utility during the visit separately from post-visit satisfaction and later memory.
- Test whether defaults that include physical, creative, and collaborative activities change participation without lowering enjoyment.
- Examine long-term outcomes such as membership renewal rather than evaluating behavioral interventions only by immediate spend.

Conclusion

Family entertainment purchasing and participation are shaped by bounded attention, framing, mental accounts, reference points, memory, and social influence. Behavioral economics can help FEC operators design simpler and more understandable choices, but the goal should not be manipulation. The most valuable applications reduce friction, make prices transparent, guide families toward activities that create richer value, and connect the current visit to future progress. In this form, choice architecture becomes part of experience design rather than merely a technique for increasing short-term spend.

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