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Play now, pay later: Sports teams, theme parks roll out payment plans

By Susan Ladika

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As the economy continues to sputter along, theme parks and sports teams are rolling out creative ways to boost attendance by offering interest-free monthly payment plans for annual passes and season tickets, allowing consumers to play now and pay later.

While the payment plans may make leisure activities more affordable by dividing payments up into bite-size chunks and billing them to your credit card each month, failing to pay off your monthly balance could ultimately drive costs up higher than Space Mountain.

For savvy consumers who pay their balances off, it's no big deal: It's just a convenient way to pay for some fun they'd indulge in anyway. But for those who are already too easily tempted by immediate gratification, these are new and expensive ways to fall into debt.

Entertainment businesses across the spectrum -- from theme parks to the NFL and college sports teams -- have rolled out such payment plans in recent years.

"It's a reaction to the marketplace," says Dennis Speigel, president of the consultancy International Theme Park Services Inc. in Cincinnati. "Theme parks have become expensive properties to visit."

Fun on a budget

As the economy struggles to come back to life and prices on goods such as food and gasoline climb, "people are holding on to their money. Their money isn't going as far," says James Riordan, director of the MBA in sport management program at Florida Atlantic University in Boca Raton.

Not to mention there's fierce competition for the money that is available, Riordan says. Those in the entertainment business, such as sports teams, "know there are so many ways for people to spend their disposable income."

That may be particularly true in hard-hit areas like Florida and California -- two theme park havens, where unemployment and bankruptcy rates outpace the national average and housing markets collapsed.

In introducing its payment plan for this year's season ticket purchasers, the NFL's Tampa Bay Buccaneers said in a release the team was cutting back on ticket prices in some sections of the stadium, holding steady on others and giving fans the option of purchasing season tickets using a
10-month payment plan "in response to the region's economy and feedback from season ticket holders."

**Magic Kingdom, monthly payment**
In the summer of 2010, Disney World rolled out payment plans for Florida residents who want to purchase annual passes, which can cost hundreds of dollars. It followed the lead of Disneyland in California, which began offering payment plans for visitors from Southern California in late 2008.

At Disney World, a premium annual pass for anyone 10 and older costs $531, or more than $2,100 for a family of four. With the payment plan, it costs about $87 down and $37 a month for 12 months per pass. At Disneyland, the premium annual pass runs $459, with $76 down and payments of almost $32 per month.

While forking over $87 down and $37 a month may be far less intimidating than $531 upfront for a Disney World pass, consumers still need to ask themselves if they can afford it, says Shawn Walsh, outreach program director at InCharge Debt Solutions. "It's still a monthly payment you wouldn't otherwise have."

And the Disney parks are far from alone. Annual passes are available for various Six Flags amusement parks and SeaWorld and Busch Gardens properties, as well as Universal Studios in Florida and California. Some passes cost less than $100.

**Make sure you'll go**
Todd Mark, vice president of education at Consumer Credit Counseling Service of Greater Dallas, says the plans will make it easier for some consumers because spreading out payments means "you don't need to save up a year in advance" to make a major purchase.

But consumers need to read the fine print to make sure the deals carry no hidden fees, and they need to calculate how many times they'll go to a theme park or sporting event to make sure they'll actually get enough use from a season pass or season tickets to make it worth their while, Mark says.

And consumers shouldn't overlook the fact that attending a sporting event or visiting a theme park typically involves more than just ticket costs. There's parking, food and even souvenirs to consider as well, Walsh says.

Riordan says that's one of the reasons sports teams give out complimentary tickets: They know people will pay up when it comes to parking and stadium refreshments. Often "the amount spent is more than the ticket price."

Dorene Ciletti, assistant professor in the Marketing & Sports Marketing Division at Duquesne University in Pittsburgh, says the payment plans were also a way for teams to retain season ticket holders during the depths of the recession.
Having payment plans also is a way to bring more fans to the games, as teams such as the Buccaneers repeatedly failed to sell out their stadium last season, resulting in local television blackouts.

**Layaway gives you Red Wings**
The NHL's Detroit Red Wings and NFL's Minnesota Vikings also offer tickets on layaway, Ciletti says. The eLayaway site is available to season ticket holders who want to renew, with the payments drawn from their bank accounts. Customers pay a flat fee of 1.9 percent of the purchase price for the service.

For theme parks, Spiegel says the payment plans haven't been around long enough "to say it's a home run."

A report by the Themed Entertainment Association and design group AECOM says in 2009 theme park attendance at the top 20 North American parks was 121.4 million, down 1.1 percent from the previous year.

While the plans make theme parks and sporting events more affordable, McClary worries that the plan could ultimately push people closer to their credit limit and drive down their credit score.

Walsh says it's also important for you to look at your budget and have an emergency fund in place before considering season passes.

If your financial house is already in order, Walsh sees nothing wrong with buying the passes. "Sure, enjoy some things in life."

<table>
<thead>
<tr>
<th>Amusement park, pass name</th>
<th>Full price</th>
<th>Payment plan down payment</th>
<th>Payment plan monthly payment</th>
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<tbody>
<tr>
<td>Disney World Florida Resident Premium Annual Pass</td>
<td>$531.44 (age 10+); $479.25 (child 3-9)</td>
<td>$87.33 (age 10+); $78.81 (child 3-9)</td>
<td>$37.01 (age 10+); $33.37 (child 3-9) (12 mos.)</td>
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<td>Six Flags Great America (Chicago)</td>
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<td>$24.99 + $5 service fee</td>
<td>$24.99 (2 mos.)</td>
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<td>Universal Studios Florida Resident Premier Pass</td>
<td>$372.78</td>
<td>$175</td>
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*Source: CreditCards.com March 2011 survey of amusement parks*