

# Free report about the paignton zoo

[Business](#), [Company](#)



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Introduction

Environmental protection is one of the hottest issues on the contemporary political and social agendas. Although this priority has been challenged by many countries, the need to preserve wildlife and restore the populations of endangered species has been recognized by the international community as one the most essential New Millennium Goals. The governments took a solemn obligation to promote ecologically friendly business practices and to ensure that the future generations will live in harmony with the nature. Huge budgets are nowadays allocated by the leading nations to commit to the implementation of this challenging task (Helsloot, 2005). However, in

accordance with the multiple reports issued by the international environmental watchdogs like Greenpeace, the successfulness of these measures can hardly be considered successful.

Despite the growing concerns regarding the inability of the public sector to address its promulgated programs, the private initiatives are rather more successful. In accordance with the findings of Greenpeace, the conservation activities of the private organizations amounts for 81% of all successfully saved wildlife species. Only the remaining 19% are equally proportioned between the national governments and the international environmental organizations.

Paignton Zoo is one of the world-famous environmental parks. The policies and marketing approaches advocated by the company are the benchmarks of the industry, since the park demonstrates rather stable financial performance, regularly attracting many customers. The objective of this paper is to analyze the economic and financial environments of the zoo. The key elements of our analysis are the PEST analysis, evaluation of the current performance of the company. The second part of the paper explores the strategies, which can be employed by the company to improve its performance, to estimate the prospective impacts of the offered policies on the company performance and to analyze the financial costs of the initiative.

### Park Profile

Paignton Zoo Environmental Park is one of the most frequently visited attractions of Paignton, the United Kingdom. Attracting more than 500, 000 visitors annually, this thematic park is considered as one of the richest in

terms of available flora and fauna species. It is a part of Whitley Wildlife Conservation Trust. This institution promotes the development and protection of the endangered wildlife species, organizing different project aimed at safeguarding the jeopardized animals. Legally, the organization is registered as a charity, hereby enjoying broad benefits and government incentives. His Royal Highness, the Prince of Wales, is the official patron of the Park.

Nowadays, the park has the unique collection of 2, 000 wild animals and more than 2500 of the different cultivated plants. It makes the park one of the most competitive zoos in Europe. The park managers, however, design to beat the visitors not with numbers, but with biodiversity and non-orthodox approach to the animals' localization inside the park.

## PEST Analysis

### Political Environment

The political environment of the United Kingdom is very favorable to the business initiatives aimed at wildlife protection (Kotler, 2002). Considering the well-deserved reputation of this park, which took its roots in 1928, this zoo is in the list of the prioritized protected areas. Under the provisions of the Wildlife Protection Act of the United Kingdom, the park enjoys full tax exemption (Yoman, Ingold, 2009). Legally, it operates as a charity. All structural divisions follow the same pattern. The zoo declares no profits, and all collected revenues are spent to maintain the animals and to improve their living conditions.

Whatever the tax-increase initiative is discussed in the Parliament, these deliberations have no effect on the zoo (Wiggins, 2010).

Under the decree of the United Kingdom parliament, tax benefits are provided not only to the charitable and wildlife protection institutions, but also to the business organizations supporting these institutions financially (Grant & McBride, 2000). With regard to the present case study, many successful enterprises are recognized as official sponsors of the zoo, regularly making generous financial contributions. The Vodafone, Manchester United football club and several Newcastle coalmines are among the few enjoying tax benefits because of the continual financial support to the zoo. Overall, about 46% of the financial turnover of the zoo is attributed to its corporate sponsors.

Despite the fact that nowadays there legislation of the United Kingdom is very conducive to the development of wildlife organizations (Crowston, 1997), the activists in the parliament are actively lobbying new privileges and benefits for the conservation institutions (Wiggins, 2010). In particular, the law mandating the states to finance the purchase and transportation of the endangered species from the countries of the habitat to the United Kingdom is now in the pipeline in the House of Commons. The chances that this legal instruments will be successfully passed are nowadays very high. Finally, the cooperation of the zoo with the national governments of the countries from where the animals are exported is long lasting and cooperative (Wiggins, 2010). To be more specific, the wildlife authorities of the developing countries in Africa, South America and Asia willingly accept the propositions of animals acquiring. In 2006, a colony of monkeys was brought from Bolivia, and the transfer of several lions and cheetahs from the national parks Tanzania and Kenya marked 2010. These relations is a very

significant competitive advantage (Baker, 2007) of the zoo, because it enables to exhibit the most exotic and rare animals.

### Economic Environment

Economically, the zoo appeared in a very favorable business environment. In particular, location in the heartland of the United Kingdom makes it particularly attractive for the European and other visitors of the country (Webster, 2000). Economic conditions of the company business operations are favorable in the internal and external spheres. The pricing policies of the company are affordable, regular discounts are available for the students. Minor children attend the zoo free of charge, which attracts many parents. Despite the fact that the institution is nonprofit, it manages to attract many tourists, which number is reported to exceed half a million annually. Considering the entry prices, it makes around 8 million euros annually in revenues collected. This amount is sufficient for the animals maintenance. Further park development is financed through the donations and other channels. Moreover, since the park is considered as one of the unique wildlife installations of the United Kingdom, the influx of the customers is continual. Even during the recent economic recession 2008- 2010, the number of tourists visiting the park reduced only on 7%. This impact did not significantly affect the operations of the zoo.

However, it is important mentioning that as a tourist destination the influx of the customers is very susceptible to prices vacillations (Boudreau & Robey, 2005). The managers of the zoo must be continually aware of the fact that some successful competitors are available in the area. For instance, the London zoo is significantly larger and has a more impressive collection of the

wildlife species. Several experiments taken in 2008 demonstrated that even the slightest price increases (15%) might result in significant customers' downturn (23%). The pricing policy of the zoo is, therefore, relatively stable. The wildlife collection of this entertainment work is unique. The presence of the competitors, however, is very strong. The most proactive rivals of the zoo of London and the zoo of Manchester. In contrast to these institutions, the Paignton zoo operates different approach. The park is less frequented, making the customers feeling more in solitude with the animals, and therefore perceiving the true fusion with the nature. This factor makes the competition with the leading national parks and zoos of the United Kingdom possible

#### Social Environment

The community highly appreciates the presence of the wildlife establishments in the area (Jones & Jowlett, 1998). The social environment of the surrounding area can be, therefore, considered as very favorable. The overwhelming majority of the tourists is visiting the park comments on the park positively. 92% of those visiting the zoo leave donations for the park development, or otherwise support the activities of the park.

The zoo is ubiquitously recognized as one of the most frequently visited family destinations in the United Kingdom (Bryan, 2007). Statistical research demonstrates that around 46% all visitors of the zoo are married couples with children. The annual income of married couples in the United Kingdom is reported to be regular stable, which makes their purchasing capacity high. It makes the park frequently visited even during the economic and financial hardships. For instance, in 2009, at the very climax of the global European

financial recession the customer's turnover of the zoo remained the same as before the crisis.

### The Impact of Technology

The organization considers the most sophisticated technological advancements and integrates them into the facilities used to keep animals. To illustrate, the zoo fully automated the system of animals feeding. In the past, the zoo required many volunteers to meet the daily needs of animals while nowadays these activities have been shifted to the automatically functioning tubes.

Moreover, the company uses the newly developed technologies in the marketing sector. Several years ago, the company advertised in the printing editions, while nowadays it has a strong presence in the web. The page of the zoo in Facebook has many subscribers, regularly commenting on the posted photos. The company, in its turn regularly advertises new animals and invites the visitors.

Finally, the company promotes skillful and professional advertising policies. To illustrate, tourists arriving at the area receive SMSs on their mobile phones, inviting them to visit the park.

### Analysis of Space

Currently, the zoo has 80 acres of land at its disposal. This territory is not sufficient for successful and convenient accommodation of all wildlife species possessed by the institution. The managers of the zoo successfully managed to defy the area of the park so that the physical needs of animals have been addressed properly. Nowadays, the park is divided into the desert house, the tropical forest house, forest animals division, wetland birds and plants house.



Specially trained volunteers exercise the logistics and supply management of all these departments separately.

One of the most successful accomplishments of the zoo is full adherence to the standards and regulations of the international conservation fund. To be more specific, for certain species and the exact amount of free space should be always available to guarantee its normal development and growth. In contrast to many of European wildlife exhibition establishments, this institution meets this requirement.

#### Marketing mix

The company managers have successfully addressed the main elements of strategic marketing planning.

Firstly, the product offered by is unique. Small number of companies offers wildlife exhibitions in the United Kingdom, which makes it a significant competitive advantage (Fyall et al., 2008). The main competitive advantage of this organization is that it obtained a number of exotic animals, which cannot be seen in other wildlife exhibition centers of the country. For instance, and black rhino, recently transported from Tanzania, is available only in this wild animal's center. Even the London zoo did not manage to get so many exotic and endangered species as the Paignton did.

Secondly, the consumers favor the pricing policies of the company. This factor is one of the most essential for attracting the customers (Armstrong, 1990). In particular, the prices remained the same since 2010. In contrast to the entry fees of the main competitors, the ones of the Paignton zoo demonstrate stability. It makes the park attractive and affordable for the budget consumers.

Thirdly, promotional activities of the company are successful. Nowadays, the company aggressively advertises online and in print. The big boards advertising this wildlife exhibition center are available in all key tourist destinations of the country. Judging by the figures of the annual customers turnover, it is reasonable concluded that the promotional campaign of this wildlife center is effective.

As far as the place and its effectiveness is considered, where one of the Paignton zoo is suitable. Located at the crossroads of the main tourist destinations, it attracts many customers on their way to Manchester or London.

#### Areas of Improvement

With regard to the main areas of possible improvements, the physical installations of the company are benchmark. Everything functions smoothly and properly.

However, the Internet presence of the company should be increased. While nowadays the company operates well recognize and professionally tailored website, attracts many subscribers on its Facebook and Live Journal pages, the search engine rankings of this wildlife conservation center are still very poor.

The majority of the overseas customers prefer using Internet while planning their United kingdom tour. Therefore, if they are not aware of the existence of this conservation Center, they will most likely not visit it. Search requests like " animals in the UK", " visit zoo United Kingdom" and similar web search functions primarily show the London zoo, zoo of Manchester and zoo of Liverpool. These wildlife institutions are the key competitors of the Paignton

Zoo.

Therefore, in order to make the brand of the zoo more recognizable for the foreign customers, effective Internet-based advertising technologies should be developed and introduced. In particular an obsolete website currently operated by the zoo should be re-made. Then, search engine optimization procedures are to be administered. Once a company achieves web dominance, the big share of the competitors' customers will be gained (Hass et al, 2008).

#### Financial Considerations

Financially, the development of effective web platform is not costly. New York Zoo took similar marketing step in 2012. The gross expenses needed for this operation amounted only for \$72, 000. This sum is surely affordable for the company, especially because several software companies are among the partners of the zoo. They can either make considerable reductions or can develop a new website and administer the required search optimization procedures free of charge.

Implementation of this new marketing strategy can bring immense positive results. Drawing parallels with the New York zoo, it can be estimated that the customer's turnover will increase on 12% (from 7 to 7.8 million EURO annually). The income collected by the company will increase progressively (Menon, 1999) while the expenses necessary to recruit new volunteers and support staff to service larger number of clients are not expected to be more than 3%.

#### Estimated Impact of the analyzed solutions

Although making assumptions without preliminary empirical data is not

recommended by the best standards of practice (Mellahi et al, 2005), in our case it is evident that bright prospects are offered for the zoo if the offered recommendations are followed. Firstly, the customers' turnover is estimated to increase on 12% annually, which will exercise tremendous positive effect on the revenues accrued by institution. The available funds can be channeled to finance the new research and development programs, promoted by the zoo.

Besides, these programs can significantly improve the brand awareness (Koch, 2001) of the zoo. If the proposed web-site enhancement operations are implemented, the brand of the zoo will gain international recognition.

#### Conclusions

However, several recommendations are still in the pipeline of the zoo's future activities. In particular, presence of the zoo should be intensified in the internet sector (Armstrong, 2006), attracting new consumers and increasing the brand awareness (Hass et al, 2008). Provided that the offered measures are implemented, the brand recognition, customers' number and annual financial turnovers can be significantly increased.

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