

Redemption masters

Buffalo, New York-based ICE has more than 40 years of experience in the US amusement market

FEW companies are more synonymous with the US market than redemption specialist Innovative Concepts in Entertainment.

Better known by its shorter title, ICE, the company makes some of the most popular games on the market, including some that utilise the NBA and NHL sports licences – it doesn't get much more American than that.

The company's vice president, Dan Coppola, says that the market has pretty much rebounded from the Covid-19 pandemic. He said: "As we continue to review collection reports and engage with customers, we are pleased to share that we are seeing a strong recovery in the market. We're approaching the pre-pandemic levels of 2018 and 2019, which were exceptional years for FECs. The data indicates that earnings are levelling off and are comparable to those peak years, providing us with confidence that the recovery is both solid and sustainable."

"This growth not only reflects the resilience of the market but also the adaptability in the post-pandemic world. We remain optimistic that these positive trends will continue, reinforcing the strength of the FEC industry as we move forward."

One of the strengths of the market in the US is the sheer size of venue that it is able to accommodate. ICE's international sales executive, Ryan Coppola, said that there is enough potential in the market to support the number of venues that are spreading throughout the country. He said: "According to IAAPA's Benchmark Survey, the report found that the sweet spot for location size is typically between 20,000-40,000sq.ft. These facilities are large enough to accommodate a variety of attractions that keep patrons engaged for longer periods, which has proven essential for increasing revenue and overall customer satisfaction."

"Venues that feature a mix of entertainment options, such as F&B, bowling, laser tag, movie theatres, axe throwing and arcade games have been especially successful in providing something for everyone. This multi-attraction model creates an immersive experience that encourages guests to spend more time in the location, thereby increasing overall spend."

"When considering the ideal venue, it's important to keep in mind that the cost of square footage varies significantly from city to city, which can impact the feasibility of such a setup. Factors like location, demand and market conditions play a major role in determining costs



and potential profitability. We continue to see growth from metropolitan to rural areas and everywhere between."

Ryan Coppola also believes that the prevalence of card systems continues to grow, with more and more converting to the technology each year. He said: "The card system eliminates the need for handling tokens or dealing with tickets, making the overall experience more seamless and hassle-free for both staff and guests. With a

card system, managing customer transactions becomes faster and patrons can easily track and reload their balance. The digital nature of the card system streamlines financial management, offering clear visibility into revenue streams and enhancing overall accounting efficiency.

"The number of operators going cashless increases every year, especially if they want to compete in the redemption realm of our business. There are way too many positives of going cashless from reporting, time play and adjusting price per play."

Dan Coppola says that redemption continues to be the king of the arcade; an unsurprising view given ICE's history in the redemption genre. He said: "When we do thorough reviews of earnings reports of location in the US, it's typically the redemption games that are taking the most plays. That doesn't mean they make the most money, but they certainly still take the most plays."

"Specific to ICE, we have two forms of redemption games: quick coin and play value. Our play value games like Down the Clown, Iceball, NBA Gametime and World Football Pro are over 30 seconds of gameplay and tend to be popular due to their competitive nature and the fact that they are 100 per cent skill-based games. This leads to a lot of competition amongst friends and families and that's the draw, rather than winning tickets. Then games like Stop The Drop, Whack N Win, Tons of Tickets and Monopoly Roll N Go are quick coin. These are games that have around five to 10 seconds of game play leading to great replay value as players participate in these games to win big ticket bonuses."

When quizzed on what makes the US market unique, he answered: "The support for American made product."

"Operators in the US value buying USA made games that they view as an investment and plan to have in their locations for 10 plus years. This philosophy of buying has led to many great partnerships/relationships between ICE and USA based operators. Very rarely do we see our best customers bringing in product from outside the US that they know they will be recycling in a few years."

The company is also able to quickly adapt to changes in the market, with Ryan Coppola saying: "When it comes to market dynamics, we recognise that different environments call for different approaches. We see certain games perform better in specific locations—whether it's along the beach boardwalk or within a bowling venue. What truly makes us unique is our unwavering commitment to adopting new strategies, continually learning from the markets, and evolving to meet the specific needs of each location."