Welcome!

RoundTable Refresher

Thank you to the Blank Foundation

Your hosts:

Keri Mesropov, VP of Client Services

Kate Hagen, Senior Consultant

Copyright © 2018 TRG Arts All Rights Reserved 9:15 a.m. Atlanta Patron Analysis Study Overview

Exercise



9:30 a.m. Don't just survive – THRIVE: Patron relationships

11:15 a.m. Reflect and share out: What will you commit to?

12:00 p.m. LUNCH

12:30 p.m. Generational Planning

1:45 p.m. Share Learnings

2:30 p.m. Workshop complete



Patron Loyalty



Patron: anyone who has a transaction with an arts organization

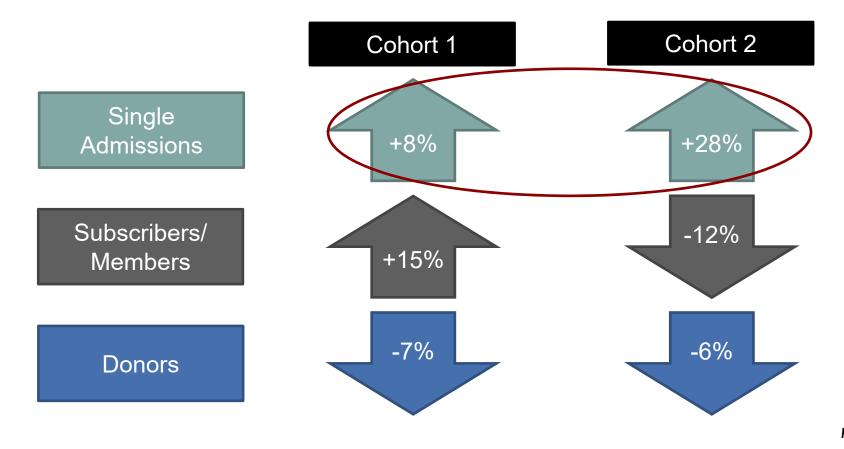


Loyalty: longer, stronger commitment to your organization and the investment that demonstrates it



EVOLUTION OFAPATRON ADVOCATE/ **INVESTOR DONOR** SUBSCRIBER /MEMBER **REVENC MULTI TICKET** BUYER **REPEAT** TICKET **BUYER NEW** SINGLE **TICKET BUYER**

Patron Key Findings For Atlanta Cohorts 1 & 2





Exercise SURVIVOR: Atlanta Roundtable



Let's Stand Up!

Discovering the Hidden Figure



- 1. Cards on the table. Everyone, take ONE.
- 2. Stand up. Divide up:
 - Green and Pink to the right.
 - Blue and Red to the left.
 - o What do we see?
- 3. Left side of room: Red dots, *please sit down.*
- 4. Right side of the room: Pink dots, *please sit down*.
 - O What do we see?

GREEN: Existing, retained

PINK: Existing, churned out

BLUE: New, retained

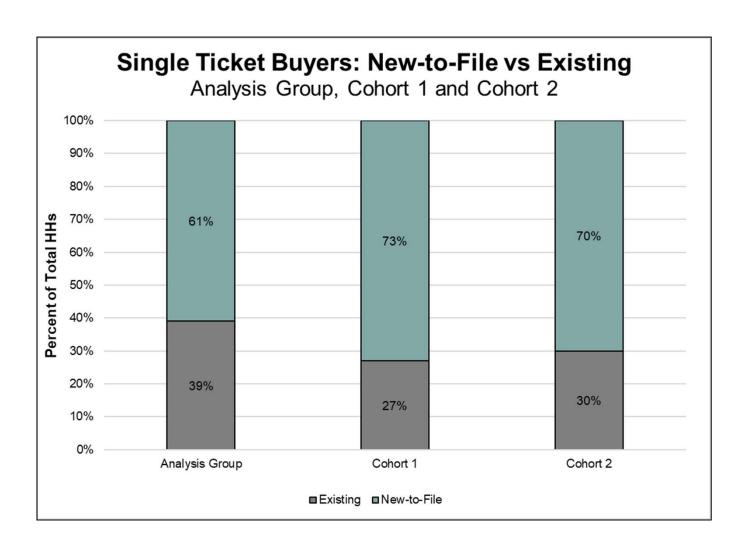
RED: New, churned out



Single Admissions

7 out of 10 single ticket buyers in Atlanta are new

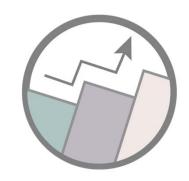


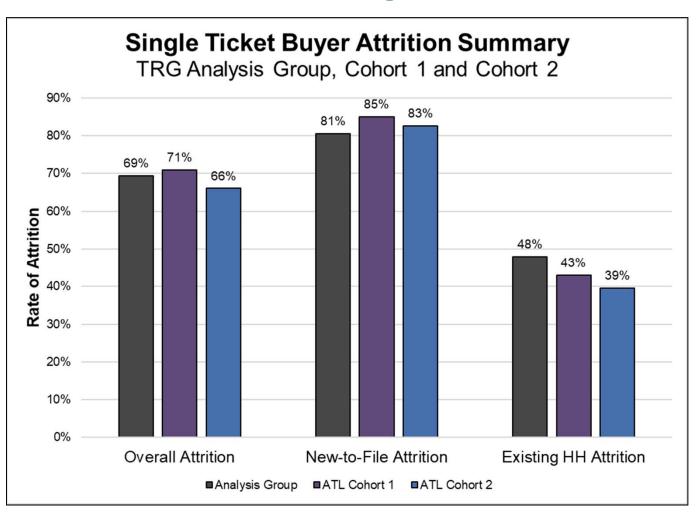




Single Admissions

Exiting HH attrition lower than peers; New-to-file similar to national averages





In Atlanta...we

lose more
new
buyers.

keep more existingbuyers.





For every 7 new buyers you attract only 1 returns.







Gather Your Resources

What do you have to support relationships?











STOP doing EVERYTHING



How can I possibly stop doing ANYTHING?!

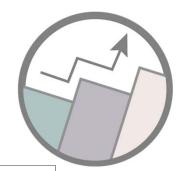
Focus on **RETURN**.

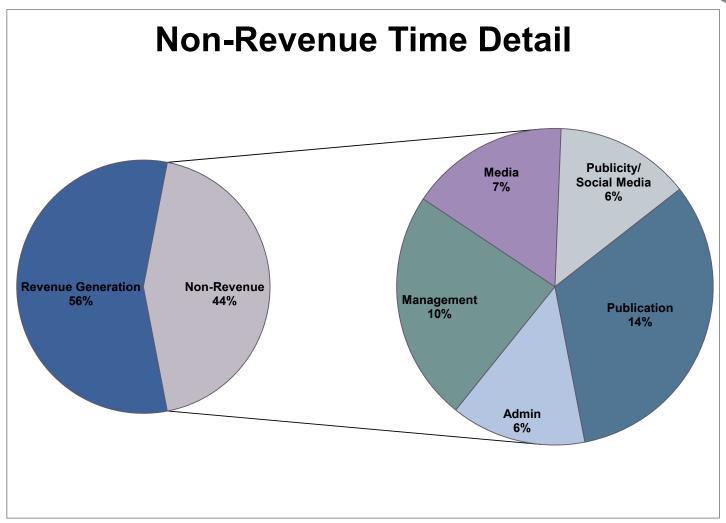
Shed **NON-REVENUE**-generating tasks...



Case Study: Canadian Theater

Marketing Department Time

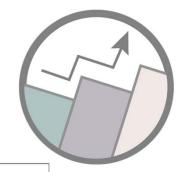


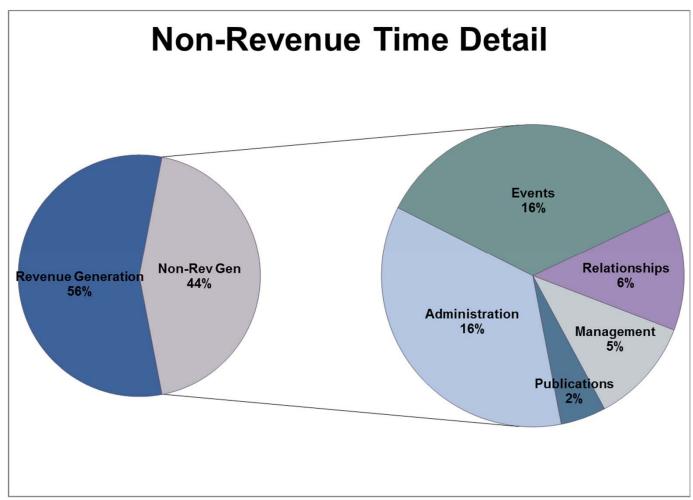




Case Study: Canadian Theater

Development Department Time







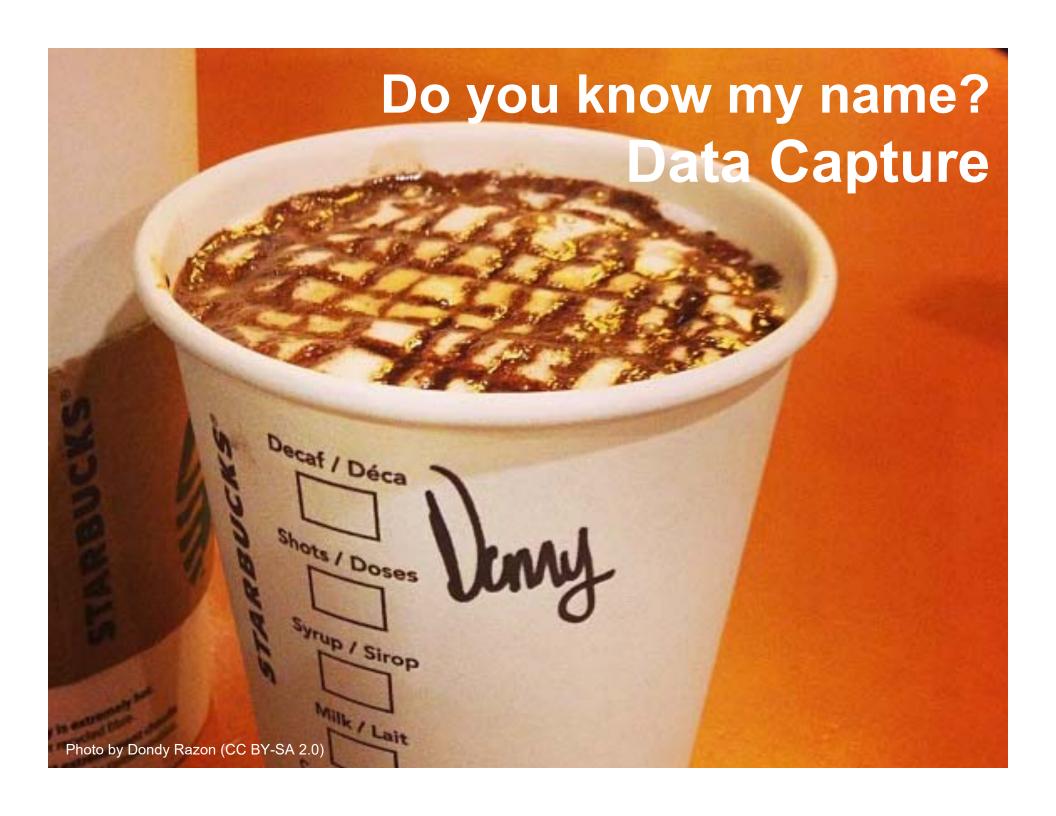
Ponder and Pen

What can you STOP doing?



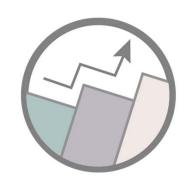
- Jot down (on your own) the top 5 NON-revenue-generating activities you? Your org? engages regularly.
 - THINK: What do you spend loads of time on that does not have a direct correlation on selling tickets or raising money
 - THINK: Two degrees of separation between task and \$\$
- 2. With your group, discuss:
 - Your non-revenue generating activities
 - Are there common threads among you?
 - Together, ideate plans around the common threads:
 - How will you STOP doing the non-revenue things?
 - How will you CREATE THE CASE internally to do so (hint: data helps!)
 - What will you COMMIT to 'stop doing?'

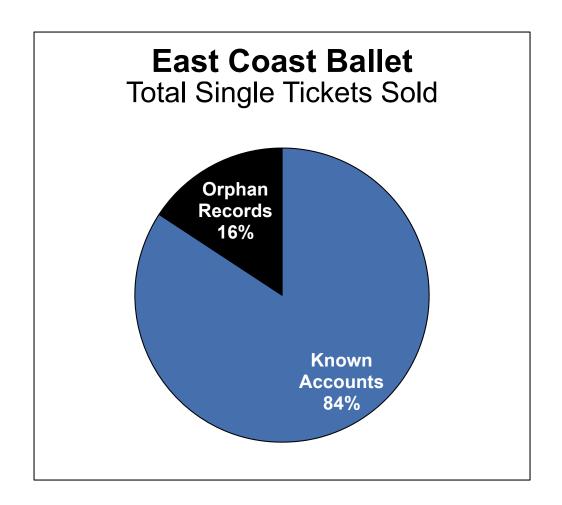




Case Study: East Coast Ballet

Orphan records are a missed opportunity





Every season, **33,089** households walked out the door anonymously



Case Study: East Coast Ballet

Impact of orphan records on sub campaign



33,089 Current STBs X

1.75% response

X

\$300 Avg order

579 HHs \$173,717

33,089
1-Year Lapsed
STBs

X

0.84% response

X

\$300 Avg order

278 HHs \$83,384

857 more subscribers





Cost-of-Sale

How much do you spend to make \$1?





Single Admissions

Membership or Subscription

Annual Fund

20-35%+

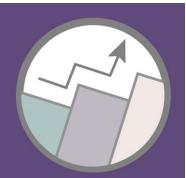
Renew: 2-5%

New: 30-65% Renew: 2-5%

New: 10-20%



Right cost-of-sale? It's Situational



- 1. Are sales or contributions growing? Flat? In decline?
- 2. Are programs sold out consistently?
- 3. What is current market penetration?
- 4. What competition exists in the market? (Hint: not strictly arts organizations)
- 5. Are revenue goals realistic? Ambitious?



Case Study: Single Tickets

Mid-size orchestra in the Pacific Northwest



Year 1

1 Concert

Invest \$12,000

\$60,000 1,916 tickets 20% cost-of-sale Year 2

2 Concerts

Invest \$13,500 (Add \$10K very late)

\$52,000 1,804 tickets 45% cost-of-sale Year 3

2 Concerts

Invest \$33,000

\$96,0003,544 tickets **34%** cost-of-sale





Pop Quiz

Audience Building in Atlanta

1. Are <u>single admission</u> <u>audiences</u> in Atlanta growing, flat, or in decline?



Growing

2. What percentage of single admission buyers are <u>new</u>?

71%

3. For every 7 new buyers, how many will <u>return</u>?

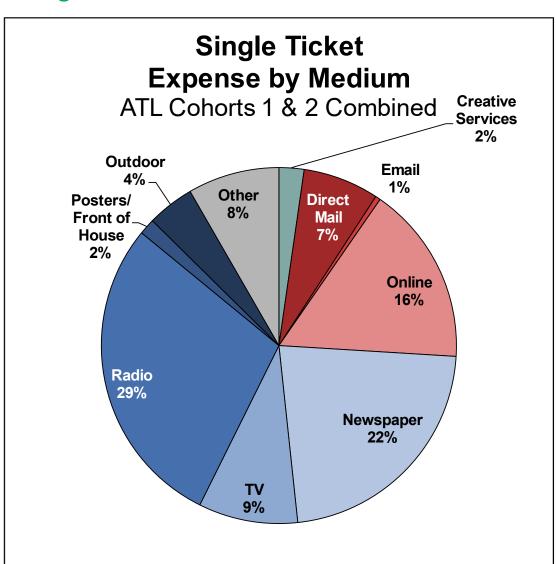
1



Expense by Medium

Single Tickets, Atlanta Cohort 1 & 2 Organizations



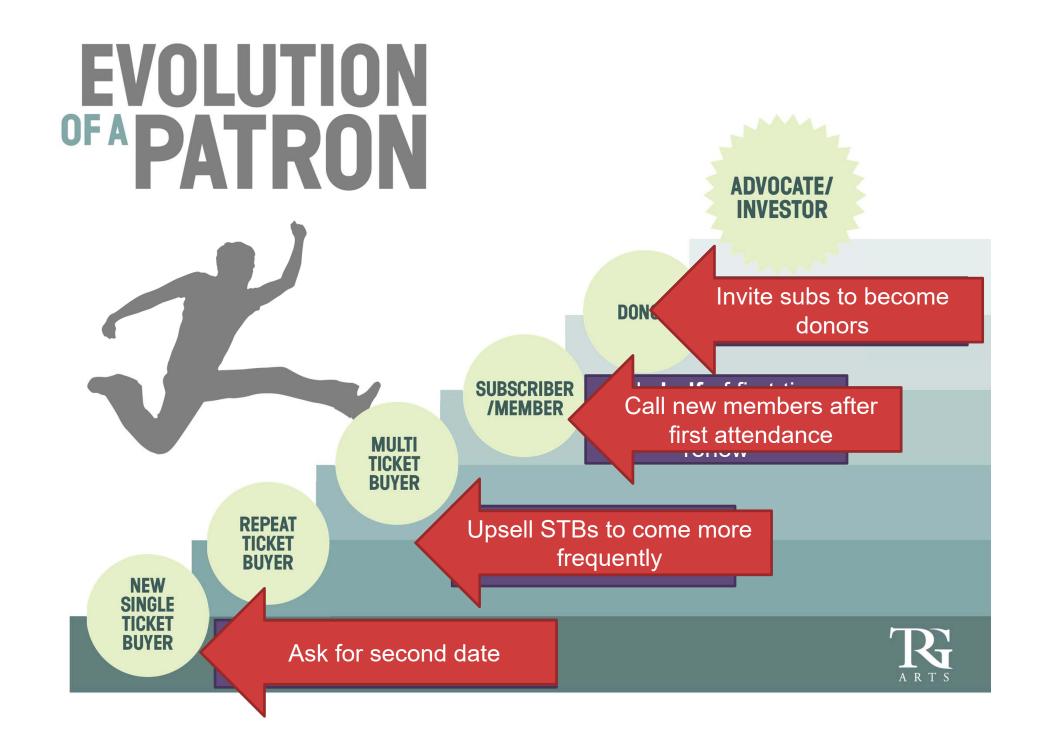


Direct Marketing 24%

Mass Media 66%

Direct channels support sustaining patron relationships.

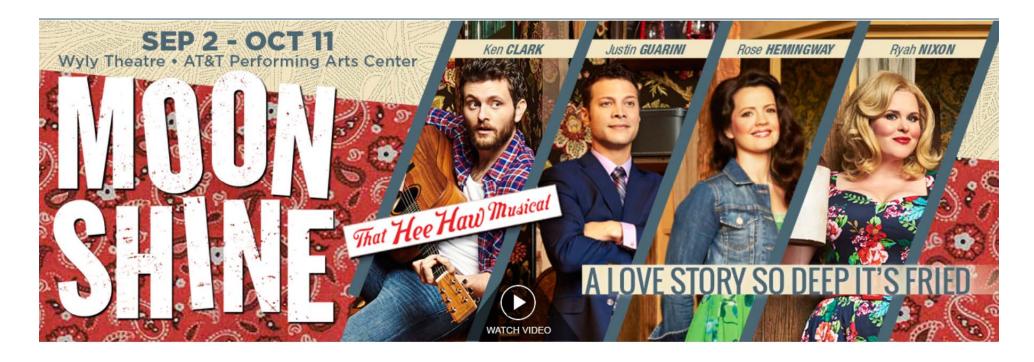




Phone: Relationship Management

Robocall to new-to-file patrons before show







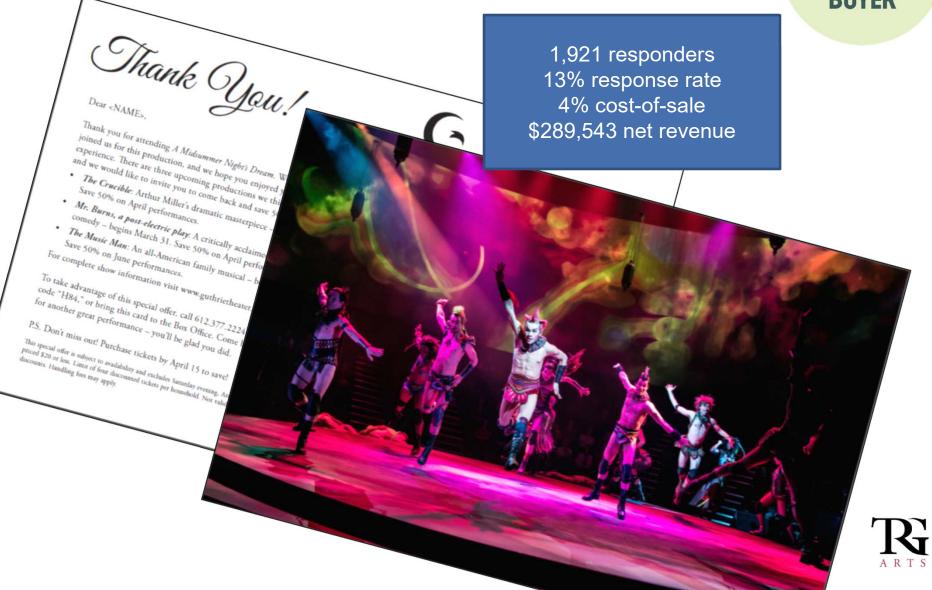
Dallas Theater Center's reminder



Case Study: Guthrie Theatre

New-to-file Patron Retention

NEW SINGLE TICKET BUYER



Case Study: Center Theatre Group

New-to-file Patron Retention

NEW SINGLE TICKET BUYER



Dear [First_Name],

Thank you for joining us at *Amélie, A New Musical*. I hope you enjoyed this magical new show, and all of us at Center Theatre Group hope to see you back at the Ahmanson soon.

I'd like to invite you to join us for our next production, Fun Home, a landmark musical drama and winner of the 2015 Tony Award® for Best Musical, with an exclusive offer for HALF-PRICE TICKETS,

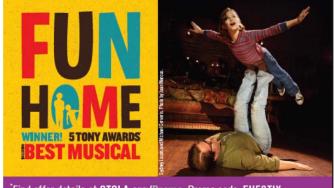
Get 50% off full-price tickets to performances Feb 21 – Mar 5, 2017.

Use promo code FH50TIX at CTGLA.org/Promo or by calling Audience Services at 213.972.4400.* But hurry, this offer ends February 12.

We look forward to seeing you again soon at the Ahmanson—or at our other venues, the Mark Taper Forum in Downtown L.A. and the Kirk Douglas Theatre in Culver City.

Michael Ritchie

Artistic Director



Find offer details at CTGLA.org/Promo. Promo code: FH50TIX.





Follow

@CTGLA sent me this in the mail as a thank you for seeing @AmelieBroadway!! It really turned my day around, I wanted to hug the mailman



Direct Mail: Timing, Frequency





Example from theater client, academic year

July Christmas in July	August Single Tickets on Sale	September Season Opening Postcard	October
November Holiday Mailing Black Friday Sale	December	January Winter Shows Mailing	February
March Spring Sale Postcard	April	May Final Show of the Year!	June



Direct Mail: Timing, Frequency





Example from festival client, calendar year

January	February	March	April Single Tickets on Sale
May Season Opening Postcard	June Holiday Mailing	July Concert promo postcard	August Final concerts of summer!
September Packages on sale for next year	October	November Black Friday Sale	December



Direct Mail: Upgrades

Subscription ask targeted to Multi-event buyers



SPECIAL UPGRADE OFFER

Dear <Name>:

From beloved orchestral masterpieces and holiday favorites, the 2016-17 RPO season Series package today to get the best seat

Highlights of the newly expanded Philham Rachmaninoff's Piano Concerto No. 2. Mo Ward Stare leading a concert version of Pu James Ehnes, Jeremy Denk, and Ingrid

Jeff Tyzik's Pops Series is filled with star-Symphonie, the iconic themes of Star Wa "Wascally Wabbit" in Bugs Bunny at the Foster, famous for her starring roles in Bro

Did you know you could be saving up to goer, you can order your subscription earl subscribers receive free and easy exchange cellist Yo-Yo Ma, six-time Grammy Awar and much more!

Subscribe by March 12 and get a \$25 instant

Plus, early access to Yo-Yo Ma

Subscribe by March 12 and Get a \$25 Instant Rebate

Did you know you could be saving up to 20% off single ticket prices with a subscription? As a frequent concertgoer, you can order your subscription early, and lock-in the best savings to enjoy more of the music you love. Plus, subscribers receive free and easy exchanges and discounts on additional tickets for performances like world-renowned cellist Yo-Yo Ma, six-time Grammy Award Winner Amy Grant, Raiders of the Lost Ark-Film with Orchestra, and much more!

When you subscribe by March 12, you'll receive an instant rebate of \$25 per package in price zones 1-3 (excludes boxes and zone 4). Use promo code SAVE25 over the phone or online to unlock the savings.

When you subscribe by March 12, you'll receive an instant rebate of \$25 per package in price zones 1-3 (excludes boxes and zone 4). Use promo code SAVE25 over the phone or online to unlock the savings.

Subscribing is the best way to enjoy great music all season long at the best prices!

- NEW 4-concert Philharmonics packages start at only \$126
- · Pops Series 5-concert packages start at \$110

To subscribe today, call the Eastman Theatre Box Office at 585-454-2100, mail in the enclosed form, or visit

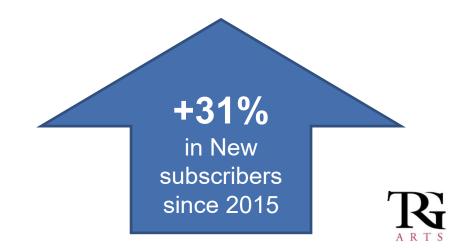
I look forward to seeing you in the concert hall!

Ral, L. F. Crane

Ralph P. Craviso Interim President & CEO P.S. REMEMBER

Get an instant rebate of \$25 per package in zones 1-3 when you become a Philharmonics or Pops subscriber.

HURRY, OFFER ENDS MARCH 12!



Phone: Relationship Management

Courtesy call to new subscribers after first show

SUBSCRIBER /MEMBER



Good evening, may I please speak to ______?

Hi, my name is ____and I am calling from the _____.

This is a courtesy call to personally welcome you as a new season subscriber and to find out what your experience was like during this season's first performance, the Princess and the Goblin last month.

Did you enjoy the performance?

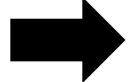
Was there anything the _____ could have done better?

Other comments at all?

Average 1st Year Sub Renewal Rate

Rust Belt Orchestra







Case Study: Modern Dance Company

Creating subscriber-donors





Invited subscribers to become donors with mail and email campaign

UPGRADE BENEFITS

\$100: backstage tour, invite to champagne toast\$200: tour, champagne toast,2 tickets to choreographic workshop, tote bag

YEAR 1 RESULTS

5% response rate \$3,960 in new gifts

YEAR 3 RESULTS

35% of subscribers donate 23% growth in average gift



Phone: Relationship Management

Effective retention and upgrade of donors

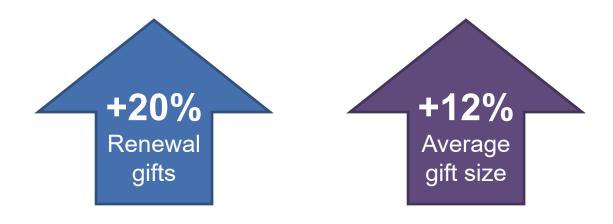
DONOR

SITUATION:

Telefunding cost-of-sale hit <u>98%</u> for a Mid-Atlantic Theater Company, focused primarily on recovering non-renewed gifts.

ACTION:

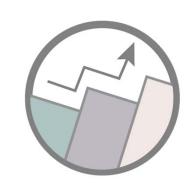
Development staff brought non-renewed gift calling in-house, focused on recapturing lower level contributors (gifts under \$3K).



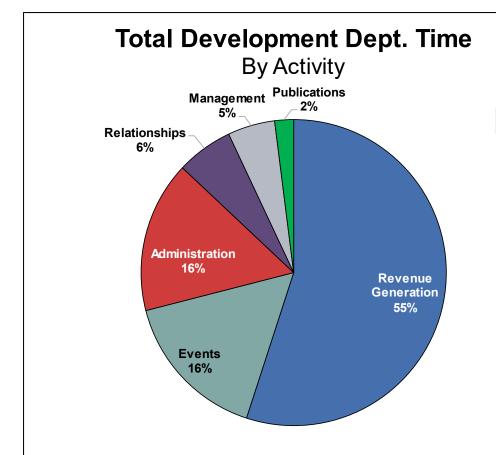




Case Study: Pacific Northwest Theater Company



Measuring impact vs. time and resource investment



Event Type	Expense		Revenue	
Fulfillment	\$	8,000		N/A
Prospecting	\$	8,000	\$	3,000
Opening Nights	\$	1,861	\$	-
Retention	\$	•	\$	-
Fundraising	\$	39,637	\$	147,000
Totals	\$	57,498	\$	150,000

38% cost-of-sale for special events

(Vs. recommended 10-20%)



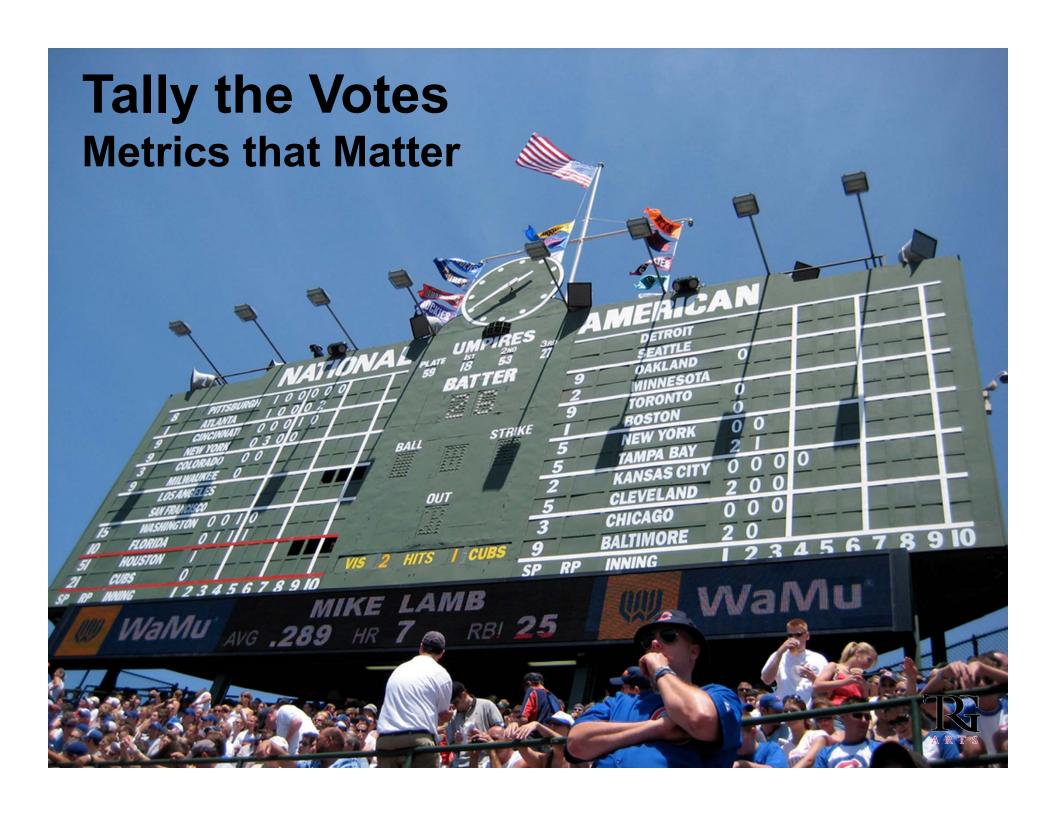
Special Events

Assess your events



- 1. How much revenue do Special Events generate?
- 2. How much do Special Events cost to produce?
 - Event production expense
 - Marketing costs
 - Staff time
- 3. What is the crossover between Special Event buyers and regular program attendees?





3 Actionable Data Points



- 1. % of Active Patrons
 Fuels audience development efforts
- 2. # of Active patrons in each patron category Reports your opportunities for growth
- 3. % of Subscriber-Donors Grows your loyalists



% of Active Patrons % active in last 2 years



Source: your database or ticketing system

Timespan: 2 most recent seasons or years

Count of households that had any interaction this year and last year

Total households in your database





% of Active Patrons What's normal?



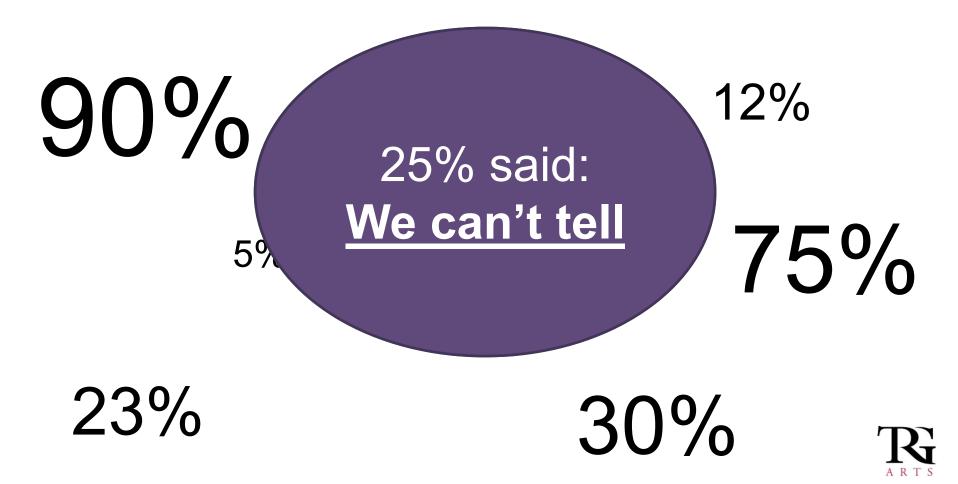
20-40%

Varies by database size, database age

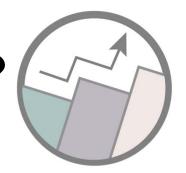




% of active households What you said in 2016 ...



Is your database growing? Current-year patrons



Source: your database or ticketing system

Timespan: last completed year or season

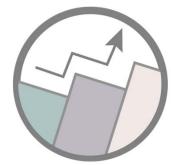
of Single ticket buyer HH
Subscriber/member HH
Donor/Event HH

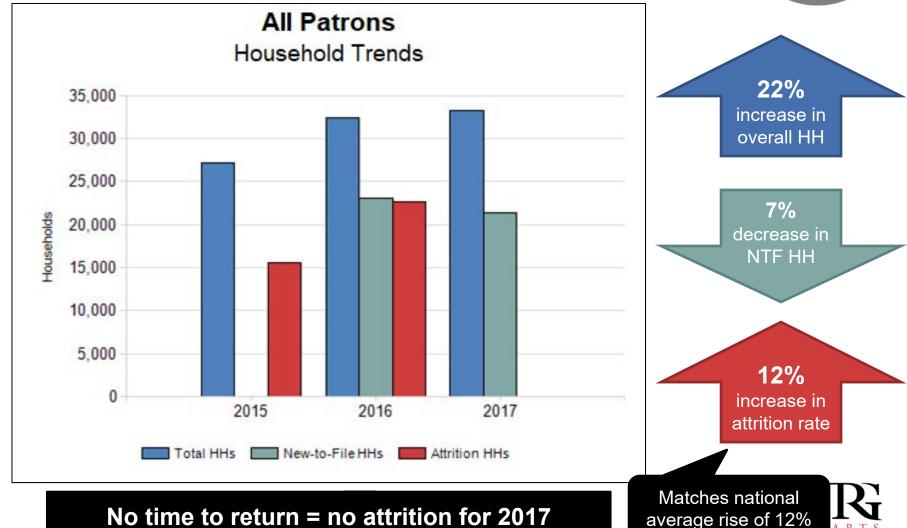
Then, compare to last 2-3 years



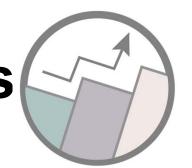
Atlanta Cohort 2, All Households

Total households growing





% of subscriber*-donors How to calculate



Source: your database or ticketing system

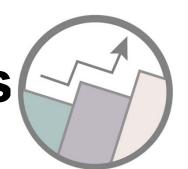
Timespan: current year or season

of subscribers who donated this year
Total # of subscribers





% of subscriber*-donors What's normal?



Here's what we typically see:

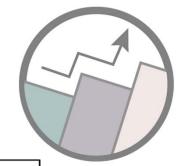
- 31% or above: Keep up the great work!
- 24-30%: You're doing fine
- 17-23%: On the low side of normal
- 16% or lower: You have opportunity here

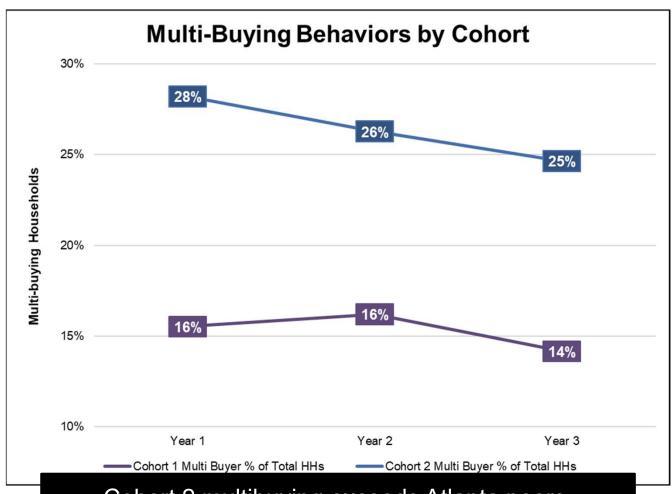




Multi-buying Comparison

Cohort 1 vs. Cohort 2





Cohort 2 multibuying exceeds Atlanta peers. However, multi-transaction behaviors are in decline.



Reflection Time: Setting Goals and Plans for Action





Write down:

Which generation is the most important to your organization right now?

MILLENNIALS (18-35)

GENERATION X (36-53)



BABY BOOMERS (54-71)

TRADITIONALISTS (72+)

Why?



Demographic Summary

Generations defined



Generation	Age Range	Atlanta MSA Population	Atlanta Arts Community
Traditionalists (or Silent)	72+	12%	9%
Baby Boomers	54-71	30%	40%
Gen X	36-53	36%	35%
Millennials	18-35	23%	15%

Baby Boomers represent disproportionately large cohort among arts audiences, compared to overall Atlanta Metro area.



Demographic Summary

Generations defined

Two-thirds of ATL population in Baby Boomers, Gen X



	Age	% of Atlan	of Cohort 1	% of Cohort 2	
Generation	Range	Populati	Participants	Participants	Consumer Behavior
Traditionalists	72+	12%	10%	12%	Conservative, risk-adverse, discplined, trusting
Baby Boomers	54-71	30%	35%	38%	Time-stressed, cause-oriented, value good quality and service
Gen X	36-53	36%	41%	36%	Individualistic, a tough sell but deeply loyal once attached
Gen Y	18-35	23%	14%	14%	Value diversity, cause-oriented, heavily influenced by peers

Opportunity to engage more deeply with Boomers and Gen Xers.

Boomers are ready to become sustaining patrons. Gen Xers need to be prepared to deepen relationships.



Baby Boomers





70% of disposable income in the US



Represent
50% of all
consumer
expenditures



44% buy regularly from brands they love



Baby Boomers on Loyalty



of Baby Boomers define loyalty as buying a service or product – more than any other generational cohort

51%

say making a donation is a form of loyalty

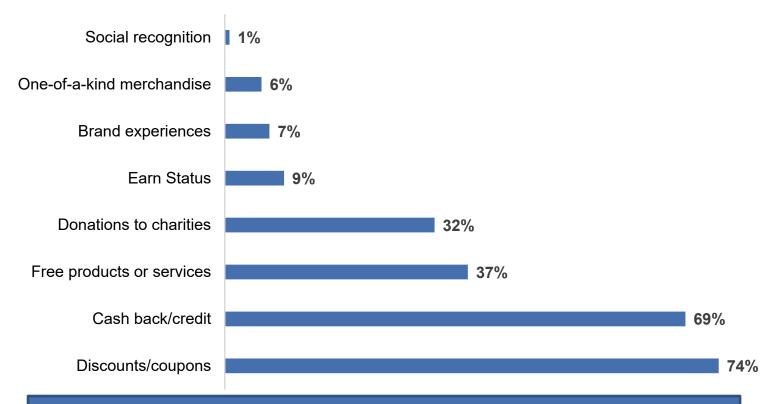
are aware that individual donations are aware that individual donations support arts and cultural organizations



Savings are of paramount importance to Boomers



Most Important Benefits to Baby Boomers



Boomers are <u>8.3%</u> more likely than millennials to join loyalty programs to receive cash back.

R

Financial value matters





Source: CrowdTwist, La Placa Cohen

Baby Boomers on Loyalty

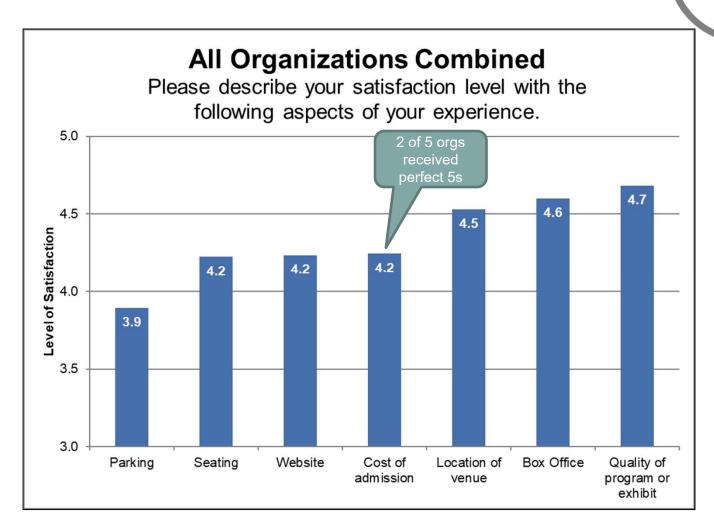


Top 3 reasons Boomers are motivated to be loyal to an organization:

- 1. Trustworthiness
- 2. Consistent Quality
- 3. Quality of Customer Service

RARTS

Parking, Website are lowest rated areas



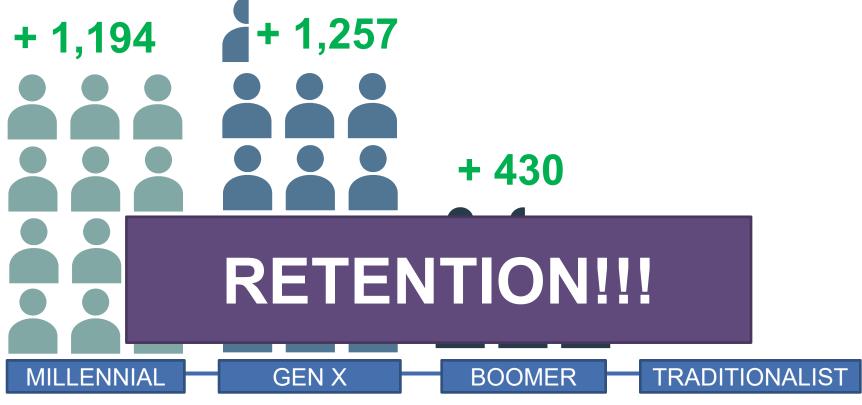




Net Audience Growth

Net Growth = New-to-File HH – Attrition HH







EXERCISE

Brainstorm strategies to reach Baby Boomer audiences in your upcoming exhibition or season.

Your plans should include at least ONE effort for each of the following:

- 1. Retention of single admission buyers (or other entry-level transaction type at your organization)
- 2. <u>Upgrade</u> effort to engage existing Boomer patrons as <u>donors</u>



THANK YOU!

RoundTable Refresher

Thank you to the Blank Foundation

Your hosts:

Keri Mesropov, VP of Client Services

Kate Hagen, Senior Consultant

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