Best Campaign Ideas: Segmenting your way to better ROI and increased loyalty

Hosted by
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TRG Arts
DATA-DRIVEN CONSULTING

PROVEN STRATEGIES

PATRONS
PRICING
LOYALTY
DATA
What We Do

Patron Results

• Consulting
  Capacity building for sustainable growth

• Data & Analytics Services
  Aggregation, analysis, direct response counsel

• Community Data Networks
  35 million households in Data Center
Type of campaigns covered today:

- Single ticket
- Second date
- Subscription and membership acquisition
Single ticket campaigns
Best practices
Case studies
What’s your biggest opportunity in 2016-17?
Best practice: marketing what’s in demand
BLOCKBUSTERS

What to do

- Advance sales
  Start NOW and incentivize

- Capacity sold: 100%
  Keep selling until it’s full or over

- Greatest investment
  Your time and resources
Cost of Sale

“Equal” spending

Cost-of-Sale Summary
2012-2013

Revenue
$450,000
$400,000
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0

Cost-of-Sale Ratio
50%
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%

Twelfth Night
God of Carnage
Tom Sawyer
Elvis: The Early Years
Around the World in 80 Days
Ethel
Macbeth
To Kill a Mockingbird
Ring of Fire
A Christmas Carol

Revenue
Expense
Cost-of-Sale Ratio
BLOCKBUSTERS
What to do for existing patrons

• Have a priority plan for every level
  Know how you’ll invite every type of patron
Donors and consummate loyalists (<2%)

The magic of “and” (10%)

From 1st time to second or last time to NOW (90%)
BLOCKBUSTERS

What to do for existing patrons

- Have a priority plan for every level
  Know how you’ll invite every type of patron

- Take care of *advocates* first
  First in line for the best seats, additional tickets, member preview

- Then buyers and tryers
Case Study: Pensacola Opera

*Carmen* sells out, single ticket revenue 33% above goal

The Situation

Pensacola Opera is a $1.3 million organization which stages two productions a year with two performances each. For the past several years, the company had been focused on institutional stabilization—paying off debts, completing a capital campaign for establishing cash reserves, bolstering its endowment, and making capital improvements. In the meantime, the company was having trouble consistently meeting revenue goals for their productions.

To Executive Director Erin Kelley Sammis, it was clear that the company needed to shift its attention to growing sustainable patronage and revenue. In the summer of 2013, Sammis engaged TRG for a consultancy that would begin by focusing on increasing single ticket revenue and volume.

Budgeted $5,250 to sell $64,800 in single tickets, a cost of sale ratio of 8%

Increased marketing budget to spend at 19% cost of sale level.

*More on this case at www.trgarts.com*
Pensacola Opera
Segmenting for Carmen

• Patrons who had previously bought tickets to other blockbuster productions like Show Boat and Madama Butterfly.

• New single ticket buyers from the previous season.

• A broad prospect pool, including:
  o Lapsed subscribers and previous ticket buyers from the last five seasons
  o Traded lists from local arts community and regional opera companies in Georgia and Alabama
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Surpassed ticket goal by 33%.

Four weeks out, *Carmen* revenue was pacing ahead of goal by 172%

Per capita revenue for *Carmen* single ticket buyers was $52, a 13% increase.

More on this case at www.trgars.com
BLOCKBUSTERS
What’s in your toolbox?

• Response Reports

• Segmentation (CRM/Data Center)

• Prospect Lists
  Data Center Trade Lists
  Demographic List Rentals
  Prospect Finder

• TRG Case Study: Pensacola Opera
RIGHT AUDIENCE
RIGHT MESSAGE/MEDIA
RIGHT TIME
Questions about single tickets?
Second Date Campaign
Best practices
Case studies
EVOLUTION OF A PATRON

Performing Arts Orgs

- New Single Ticket Buyer
- Repeat Ticket Buyer
- Multi Ticket Buyer
- Subscriber / Member
- Donor
- Advocate / Investor
EYE LEADERS IN MUSEUMS AND ARTS

EVOLUTION OF A PATRON

VISITOR / TICKET BUYER

MEMBER

RENEWING MEMBER

DONOR

ADVOCATE/INVESTOR

ROI

EXPENSES
4 out of 5 new patrons leave... and never come back.
Recommended strategy

The Second Date

- Get the phone number!
  You must be able to contact them again

  Street Address

  Email Address

  Phone number

- Then, ASK
  Personally
  Directly
  Follow up soon after the first date
Data Stewardship
The Second Date

• How do you collect patron data?
  Is it consistent across all channels?

• How do you know if it is time to ask someone on the second date?
  Segmentation and data stewardship
An in-depth neuroscientific study …found direct mail ads to be superior to those viewed online in eight out of nine categories. Digital ads seized the attention of consumers quicker, but physical ads held that attention longer, elicited a greater emotional reaction, and played a more direct role in ultimate purchase decisions.

~Enhancing the Value of Mail: The Human Response (June 2015)
Data Capture Rate

How to calculate

\[
\text{Data capture rate (\%)} = \frac{\text{# of new patrons for whom you have full contact info}}{\text{Total # of new patrons}} \times 100
\]

Source: your database or ticketing system

Timespan: current year or season

\[
\frac{1,700}{10,000} = 17\%
\]
Data collection matters
Why? Revenue.

# of 1st-time visitor households in 2014: 100,000

Membership mailing to first-time visitors:
  Average response rate: 2.1%
  Average revenue per response: $70

<table>
<thead>
<tr>
<th>Data capture rate</th>
<th># mailed</th>
<th># Responded</th>
<th>Total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>95%</td>
<td>95,000</td>
<td>2,000</td>
<td>$140,000</td>
</tr>
<tr>
<td>15%</td>
<td>15,000</td>
<td>315</td>
<td>$22,050</td>
</tr>
</tbody>
</table>

Difference: 1,685 members and $118,000
<table>
<thead>
<tr>
<th>Type</th>
<th>Weekday (Mon-Thu) Regular Price</th>
<th>Weekend (Fri-Sun) Regular Price</th>
<th>ANYTIME ONLINE PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults (18-64)</td>
<td>$22</td>
<td>save $4</td>
<td>$23</td>
</tr>
<tr>
<td>Seniors (65+)</td>
<td>$19</td>
<td>save $1</td>
<td>$20</td>
</tr>
<tr>
<td>Students (with I.D.)</td>
<td>$19</td>
<td>save $1</td>
<td>$20</td>
</tr>
<tr>
<td>Military (with I.D.)</td>
<td>$16</td>
<td></td>
<td>$17</td>
</tr>
<tr>
<td>Youth (5-17)</td>
<td>$16</td>
<td></td>
<td>$17</td>
</tr>
<tr>
<td>Children (4 &amp; under)</td>
<td>FREE</td>
<td>FREE</td>
<td>FREE</td>
</tr>
<tr>
<td>Members</td>
<td>FREE</td>
<td>FREE</td>
<td>FREE</td>
</tr>
</tbody>
</table>
EMP: from 0% in 2010 to 40% in 2014
Collect contact info

- Alvin Ailey School “Ambassadors” collect cards from audience during intermission
- Volunteers help patrons fill out cards in ticket line to “speed up the process”
- Audience survey in program with raffle
- Fill out the card, keep the pen
- Hershey’s kiss or $1 off next ticket for contact info

And more…
Second date for members

- New members are vulnerable
  Repeat visitation is critical to membership

- Personally invite them back
  Increase renewal rate
Case Study: Seattle Repertory Theatre

Tripled retention among specially cultivated group of new ticket buyers

The Scenario:
When recession hit during the 2008–09 season, sales at Seattle Repertory Theatre (SRT) were already in a state of decline. Revenue losses had prompted across-the-board budget cuts by 30% for the following season. Enter Katie Jackman, who had just been hired and now is SRT’s Director of External Relations. She and new colleagues Jeremy Scott, Patron Development Manager, and Ashley Coates, Marketing Manager, rallied around the challenges ahead.

“We had declining sales in all categories. At the same time, there weren’t a lot of people around what to do, especially when patrons came in for the first time.”

Acting on counsel from TRG Arts, Jackman and her team set aside budgets and moved with model resolve toward a singular goal: securing a same-season commitment with single ticket buyers who had attended for the first time in 2009–10.

4 year retention study
New buyers

SRT achieved second date in same season

TRIPLED retention rate

Revenue kept growing.

More on this case at www.trgarts.com
Thanks for trying out Seattle Rep. Come back for FREE! DETAILS INSIDE

We hope you had a great first visit to Seattle Rep, and you won't want to miss these next two shows! Get your tickets now for **The Brothers Size**, a music-infused drama from one of the country's most exciting new playwrights. Or join us for a new staging of Steinbeck's classic novel **Of Mice and Men**.

**BUY ONE, GET ONE FREE!**

Buy a ticket to **any** of the following performances and get the second one **FREE**.

<table>
<thead>
<tr>
<th>Performance</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The Brothers Size</strong></td>
<td>Feb 4-12, 2011</td>
</tr>
<tr>
<td><strong>Of Mice and Men</strong></td>
<td>Mar 18-26, 2011</td>
</tr>
</tbody>
</table>

**K.I.S.S Principle**

**Calendar Driven Offer**

**Same Format Each Time**
Thanks so much for joining us for our Spring Series! We hope you enjoyed seeing us dance as much as we enjoyed dancing for you.

We’re thrilled about our upcoming Summer Series, which includes a World Premiere by our Resident Choreographer Alejandro Cerrudo alongside

Respond to this special invitation and save 50% on priority tickets to Summer Series, June 5–8, 2014

Please visit hubbardstreetdance.com/summer and use promo code INTERNATIONAL, or call the ticket office at 312-850-9744.

I hope to see you back in the theater soon.

Glenn Edgerton
Artistic Director

P.S. This offer expires April 30 and is subject to availability, so please don’t delay! We want to make sure you receive priority seating.
Visit hubbardstreetdance.com/summer or call 312-850-9744 and remember to use the code: INTERNATIONAL.

Offer not valid for section S seats, in combination with any other offer or on previously purchased tickets. Subject to availability.

Hubbard Street Dancers in Falling Angels by Jiří Kylián, from left: Kellie Eppner, Emma Pascoe and Jacqueline Burnett. Photo by Todd Rosenberg.
Dear <NAME>,

Thank you for enjoying your Guthrie experience.

We are very excited about two upcoming productions this season, *My Fair Lady* and *Vanya and Sonia and Masha and Spike*, and we would like to invite you to come back and save 50% on tickets to either of these productions when you attend by August 1:

*My Fair Lady* begins June 28  
*Vanya and Sonia and Masha and Spike* begins July 19

For complete show information visit our website at www.guthrietheater.org.

To take advantage of this special offer call our Box Office at 612.377.2224 and mention the code “H84” or bring this card to the Box Office. But hurry – the deadline to receive this offer is Friday, June 27! Come back to the Guthrie for another great performance – you’ll be glad you did.

P.S. Don’t forget – attend by August 1 and save!

This special offer is subject to availability and excludes Saturday evenings and Area 1A seating.  
Limit 4 discounted tickets per household. Not valid online or with any other offers or discounts.  
Handling fees may apply.
Dear <NAME>,

Thank you for attending Tristan & Yseult. We hope you enjoyed your Guthrie experience.

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Same season buyers
Why are they important?

• They are your “right now” patrons

• Your patrons currently active with your organization

• They are your pipeline for the future
% 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
Active Patrons
What does it mean?

- Indicator of organizational health
  Note that “health” doesn’t mean growth

- Ability to upgrade loyalty
  Make an upgrade plan! Follow up.

- Bring in enough patrons to replace the ones lost
The Second Date

What is in your toolbox?

- Response Reports
- Metrics
  - Data capture rate
  - % active patrons
  - Data Center data quality reports
- Segmentation (CRM/Data Center)
- Case Studies
  - EMP Museum
  - Seattle Repertory Theatre
Questions about the second date?
Subscription and Membership Acquisition

Where to focus
Add value to cultivate existing patrons or members

- What motivates a patron to reactivate or renew?
- Programming matters
- Continue to build relationships
YEAR TWO

Continue Dating

• Cultivation Group is special segment
  Still no “pouncing”

• Goal: Keep coming back
  Prevent high first-timer attrition

• Special offer, theirs alone
  Come back…often

3 Plays
$99
SEATTLE REPERTORY THEATRE
Jerry Manning, Producing Artistic Director | Benjamin Moore, Managing Director

2010–2011 SEASON

The Best Deal in Town:
3 PLAYS FOR $99!

BACK TO THE THEATRE
ONE IS TALKING ABOUT!

“The Rep continues to produce shows that are entertaining, accessible and memorable across all ages and walks of life.”
—Broadway World

“Highest Comeback Kid: Seattle Repertory Theatre”
Seattle Times Footlight Award

“Back where it used to be: the center of the creative heart of the overall theatre scene.”
City Arts

DON’T MISS THIS GREAT OFFER.
SUBSCRIBE TODAY!

• Visit www.seattlerep.org
• Call 206-443-2222 (toll free 877-900-6285)
• Stop by the Box Office Tuesday-Sunday, noon-6

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SEATTLE REPERTORY THEATRE
155 Mercer Street | P.O. Box 900923 | Seattle, WA 98109
www.seattlerep.org

R G ARTS
2010–2011 Season

God of Carnage

By Yasmina Reza | OCT. 1–24, 2010
This 90-minute thrill ride takes you into the most dangerous place on earth: parenthood. An innocent squabble over a playground incident becomes an all-out, far-flying, hilarious brawl between two couples in this new play from Yasmina Reza (Art). God of Carnage stormed Broadway, nabbing the 2009 Tony for Best Play and earning knock-out reviews.

"Gleefully nasty fun. The best play in town."
—New York Post

The Brothers Size

By Tarell McCraney | FEB. 4–27, 2011
The Louisiana bayou, West African mythology, and family interplay swirl together in this absorbing drama from one of the country’s most exciting playwrights. A wandering soul recently released from prison clashes with his straight-and-narrow brother. Yet even as they grapple with their own notions of freedom and tradition, they remain fiercely intertwined.

"Listen closely, and you might hear that thrilling sound that is one of the main reasons we go to the theater, that beautiful music of a new voice."
—New York Times

Of Mice and Men

By John Steinbeck | MAR. 18–APR. 10, 2011
John Steinbeck’s heartbreaking American classic comes to life in his own stage adaptation. Lenny and George—farm workers in Depression-era California—are trying to scrape together enough money to buy a house of their own. But when Lenny sinks trouble on the job, George must choose between protecting his friend or staying the course towards his version of the American dream.

"...the enduring power of John Steinbeck’s dramatization of his 1937 novel...grab[ing] its audience by the heart and never let[ting] go."
—New York Times

This LEO K.

By Melissa James Gibson | APR. 8–MAY 15, 2011
Four friends fast approaching the end of their 30s test the boundaries of their relationships in this perceptive, beautifully crafted new play. The decidedly un-romantic comedy centers on a New York poet and single mother and her fickle with a married friend that sets the group into a tailspin. A huge hit Off Broadway, don’t miss this West Coast premiere.

"Melissa James Gibson’s tart, melancholy comedy is the best new play to open Off Broadway this fall."
—New York Times

The Agony and the Ecstasy of Steve Jobs

created and performed by Mike Daisey | APR. 22–MAY 22, 2011
Dubbed “the master storyteller” by the New York Times, the hilarious and razor-sharp Mike Daisey weaves together gonzo journalism, unscripted performance, and autobiographical tales that cut to the bone of some of the most captivating topics in American culture. He now turns his lens on Apple and Steve Jobs, asking the question, “How did one obsessive man change the world to his liking?”

"Mike Daisey has proven himself that rare theatrical creature: An entertaining performer with something valuable to say—gripping and vital."
—Variety

Package Highlights

• Pick any three shows from either of our two theatres
• Your seats will change each time you come, but you’ll always receive the best seats available
• Enjoy 100% ticket flexibility

Looking for more ticket options?

Plus, with your three-play package, you get all of our fantastic subscriber benefits.

Subscribers enjoy completely free, no-hassle ticket exchanges. Something come up? Swap your tickets for another night at no charge, no questions asked.

YOUR SATISFACTION IS ALWAYS GUARANTEED.

SUBSCRIBE TODAY!
Visit www.seattlerep.org/subscribe/3for99 or call 206-443-2222 (toll free 877-900-9285)
YEAR TWO RESULTS

30% Returned

- 16% Donated
- $126 Average Spent per Household
- 5 Average Tickets Purchased
- 30% Cost-of-sale

- Single Tickets 77%
- Larger Series 17%
- 3 for $99 6%
LAUNCHING LOYALTY
With a Second Date

CULTIVATION PAYS: HIGHER RETENTION RATE

- Cultivation Group
- Other 2010 First Timers
Case Study: Repertory Theatre of St. Louis

65% one-year increase in new subscriber revenue

The Scenario:

Repertory Theatre of St. Louis had experienced ups and downs in subscription sales. By 2012, overall subscriptions had been decreasing by 3-8% almost every year since 2008, despite a strong renewal rate.

The underlying problem seemed to be attracting new subscribers. Initial analysis by TRG Arts suggested that, long term, The Rep needed to grow the number of prospects for subscription in their database. TRG also discovered that The Rep likely hadn’t been spending enough on marketing new subscriptions acquisitions.

Spending on marketing new subscription acquisitions declined in subscription acquisitions.

“The budget and goal [Managing Director Mark Bernstein] was very daunting,” Director of Marketing Lory Bowman said. Knowing that there was planning and pricing help for the subscription campaign Bowman travelled to Colorado Springs in January 2012 to Sprint with TRG.

Goal: Acquire new subscribers
• Timing
• Segmentation
• Frequency
• Messaging

New subscriber revenue increased by $167,000, or 65%

New subscriber households increased by 52%.

ROI per piece increased from $1.63 to $2.87.

More on this case at www.trgarts.com
Case Study: Theatre Aquarius

94% of subscribers now subscribe to full series

The Situation:
With the economic downturn that began in 2008, attendance and revenue at Theatre Aquarius began to decline. As the decline coupled with the financial recession continued into the spring of 2011, General Manager Lorna Zaremha hired TRG Arts to analyze the theatre's situation and improve revenue.

This analysis revealed that there were entire elements of the Theatre's business model that were missing, which influenced an atmosphere of waning loyalty, specifically among subscribers. A few contributing factors were:

Pricing eroded loyalty
Theatre Aquarius has one venue that had been scaled traditionally, with more expensive
SUB/MEM Acquisition

What is in your toolbox?

• Response Reports

• Segmentation (CRM/Data Center)

• Campaign Target Model
  Identifies patrons most likely to buy

• Campaign Planning Sprint
  Work with TRG to find opportunities in your current campaign plan

• Case studies
  Theatre Aquarius, The Repertory Theatre of St. Louis
  Seattle Repertory Theatre
Questions about subscription and member acquisition?
Best Campaign Ideas

Key Takeaways

• Single Ticket Acquisition
  Leverage your Blockbusters

• Second date
  You need to ask!

• Subscription and membership acquisition
  Ask patrons to take the right next step

• For each campaign
  Segmentation and data stewardship is key
Questions?
Best Campaign Ideas: Segmenting your way to better ROI and increased loyalty

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