Electronic Media Strategy & Implementation in an Age of Continuous Change
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ELECTRONIC MEDIA STRATEGY AGENDA

• Key Questions
• Background Context
• Trends
• Project Planning
• Examples
• Q&A
Key questions we are considering today

• What’s happening in the media world that is important for us?
• What are our media objectives?
• Where do we focus our time, attention and money to maximize the return on investment in media?
• How should we implement media projects to maximize their success?
Electronic Media Background Context
Orchestral Mission

• Historical:
  • Live music performances “in person”
  • For audiences in concert halls
  • Electronic media: secondary role for some (but not part of core mission)

• Today:
  • Live music performances for widest possible audiences
  • Digital capture/distribution should be core strategies for:
    o Bringing more people to hear music in concert hall and
    o Bringing music to more people outside concert hall
Traditional Product/Distribution Definitions

- **Digital**: Cable TV, Satellite radio, Internet streaming, CDs, DVDs, Downloads
- **Ephemeral**: Terrestrial radio (Standard TV)
- **Analog**: LPs (Audio cassettes), (Videocassettes)
- **Collectible**: CDs, DVDs, Downloads
Changing Product/Distribution Definitions

- **Changes** in technology and customer expectations:
  - Blurring lines between “ephemeral” and “collectible”
  - Customers demanding more control
- **“On demand”** (temporary customer control of access to content via device under distributor’s control):
  - Time shifting: Podcasts, DVRs
  - “On-demand:” Internet streaming, digital cable TV
  - Cloud storage of collectible customer owned content
- **“Social media”** (customer control of content/distribution):
  - YouTube
  - Facebook
  - Twitter
  - Pinterest
  - Tumblr
  - Reddit
  - Google+
  - Instagram
  - Snapchat
Current Electronic Media Trends

• Less demand for full performance content; increased opportunity to exploit excerpts and value-added content for promotion
• Declining costs of capture/distribution (lower entry barriers)
• Internet disintermediation (retain distribution control)
• Digital broadcast spectrum expansion (audio and audio-visual)
• “Long-Tail” economic value in products with limited individual mass market value, but large aggregate value:
Audio Recording Sales Units All Genres

In Millions of Units (1985 to 2012)

Product Types:
- CD
- Cassette
- SACD
- DVD Audio
- LP/EP
- Download Album
- Download Single

This content is proprietary, any reference to or reproduction of this data must be attributed to the Recording Industry Association of America.
Trends
Trends

Smartphones and tablets are now mainstream

Across all internet activities, the smartphone is fast replacing the PC

Generational gaps in digital adoption are disappearing
Trends

More time is now spent on mobile apps than on all of the web

Social media is by far the most active category for mobile users

Music is the most mature digital shopping category

Source: McKinsey Digital
Trends: Mobile Growth 2008-2015

% of Total Internet Traffic - US

- 2008: 0%
- 2009: 0.9%
- 2010: 2.4%
- 2011: 6%
- 2012: 10%
- 2013: 15%
- 2014: 30%
- 2015: 50%

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June 10, 2016
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Source: Digital Engagement in Culture, Heritage, and the Arts, pg. 27
Electronic Media Strategy & Implementation in an Age of Continuous Change

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Source: Digital Engagement in Culture, Heritage, and the Arts, pg. 27
Electronic Media Strategy & Implementation in an Age of Continuous Change

June 10, 2016

Source: Digital Engagement in Culture, Heritage, and the Arts, pg. 27
1 in 5 minutes online is spent on Facebook
Generational gaps in technology adoption are disappearing.

- Email is most common form of digital communication
- Tablet is most popular mobile device
- Most popular social network is Facebook
How likely are you to share the following types of content with your network?

- A video that spreads awareness for a cause: 2.5
- A funny video: 2.3
- An article revealing new findings in an industry you're interested in: 3.3
- A video that evokes positive emotions: 3.5
- A coupon code for a product or service from a favorite brand: 5.1
- A video that evokes negative emotions: 5.6
- A link to a product you are excited to have just purchased: 5.7

Source: Acquity Group’s 2015 Next Generation of Commerce Study
On which of the following channels would you most trust content created by a brand or company?

- News or Special Interest Website: 5.5
- TV: 5.3
- Email: 5.3
- Newspaper (Print): 4.4
- Facebook: 4
- Instagram: 5.9
- Pinterest: 6.2
- Twitter: 6.3
- YouTube: 6.5
- Snapchat: 7.6
- Blog: 8.1

Source: Acquity Group’s 2015 Next Generation of Commerce Study
66% of people attending a live event engage in online activities **during the event.**

- **20%** comment/post
- **17%** check-in
- **16%** +1/follow/like
- **1 in 3** research **future events** while at an event

**30%** look up **future events** after they’ve attended a live event.


www.thinkwithgoogle.com
A Few Takeaways:

Most of connected time will be spent on a mobile device.
Social is the most influential channel for 30 and under.
Content needs to be shareable, short and interesting.
Mobile, Social, and smart content is critical to reach and engage audiences.
How do we engage audiences in this new digital context?
Electronic Media Project Planning
Current Opportunity

- To take advantage, arts groups must identify:
  - Identify organizational goals for distributing content
  - “Set SMART” objectives for media activities (why)
    - Specific, Measurable, Ambitious, Realistic, Time-based
  - Determine activities/content to accomplish objectives (what)
  - Choose target audiences (to whom/where)

- To implement plan:
  - Select distribution strategies to reach audiences (how)
  - Undertake cost/benefit analysis (time + money)
  - Incorporate as “core” priority in operating budget
  - Take initiative (proactive vs. reactive) and
  - Outsource functions where appropriate

“Carpe diem” – Seize the day
Electronic Media Goals

• Before undertaking any electronic media activity, each arts group must be clear about the goals and objectives of its electronic media activities:
  • Artistic (archiving/showcasing high quality performances)
  • Marketing (building/engaging audiences for performances)
  • Expanding the audience (beyond concert hall)
  • Institutional branding/promotion/pride
  • Stimulating contributions (direct/indirect)
  • Generating incremental net revenue for artists
  • Generating incremental net income for the institution
Electronic Media Strategies

- Evaluate which electronic media activities are an effective strategy for attaining desired goals:

  - **Audio Ephemeral:**
    - Radio
    - Internet Streaming
  
  - **Audio Collectible:**
    - Live CDs
    - Studio CDs
    - Downloading
  
  - **Audio On-demand:**
    - "On-Demand" Streaming
    - Podcasting

  - **Audio-Visual Ephemeral:**
    - TV
    - Internet Streaming

  - **Audio-Visual Collectible:**
    - DVDs

  - **Audio-Visual On-demand:**
    - "On-Demand" Streaming (e.g. YouTube)
    - Podcasting
Target Audiences and Content

• Determine what, where, and to whom:

  • **Where to distribute:**
    - Locally, Regionally
    - Nationally, Internationally

  • **What content to distribute:**
    - Full length works
    - Excerpts
    - Traditional repertoire
    - Contemporary repertoire
    - Pops
    - Education

  • **To whom to distribute:**
    - Young children/families
    - Students (K – 12; college)
    - Young professionals
    - Classical concert attendees
    - Classical non-attendees
    - Non-classical, non-attendees
    - Institutions (hospitals, nursing homes, etc)
Cost/Benefit Analysis

- **High Benefit/High Net Revenue**: Maximize
- **High Benefit/Low Net Revenue**: Only if Funded or Core Mission
- **Low Benefit/High Net Revenue**: Choose Carefully
- **Low Benefit/Low Net Revenue**: Eliminate

**Benefit Impact**

- High Benefit/Low Net Revenue
- Low Benefit/Low Net Revenue
- High Benefit/High Net Revenue
- Low Benefit/High Net Revenue
# Audio Goals and Strategies (SAMPLE)

## ELECTRONIC MEDIA STRATEGY DISCUSSION

### ELECTRONIC MEDIA PLANNING WORKSHEET

<table>
<thead>
<tr>
<th>GOALS AND OBJECTIVES</th>
<th>TARGET LOCATION</th>
<th>TARGET AUDIENCES</th>
<th>COST/BENEFIT</th>
<th>PROGRAM CONTENT</th>
<th>PROGRAM CONTENT</th>
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<tbody>
<tr>
<td>Ticket Sales</td>
<td>Local</td>
<td>Local Radio</td>
<td>High</td>
<td>Performance</td>
<td>NOTES/CONTENT</td>
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<td></td>
<td></td>
<td>Y Y M N</td>
<td>High/Low</td>
<td>N</td>
<td>Discuss Pops quality issues</td>
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<td></td>
<td></td>
<td>National Radio</td>
<td>High</td>
<td>Medium/Low</td>
<td>Expand station carriage</td>
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<td></td>
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<td>International Radio</td>
<td>Low</td>
<td>Low</td>
<td>Would Sirius take our content?</td>
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<td></td>
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<td>Internet Streaming</td>
<td>Medium</td>
<td>Low</td>
<td>Limit window?</td>
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<td>Studio CDs (new)</td>
<td>High</td>
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<td>Downloading</td>
<td>Low/Low</td>
<td>Low</td>
<td>Expand to all 18 classical weeks</td>
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<td>&quot;On-Demand&quot; Streaming</td>
<td>Low</td>
<td>Low</td>
<td>Premium for subscribers and donors?</td>
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<td>Podcasting</td>
<td>Low/Low</td>
<td>Low</td>
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</table>

**Y** = YES   **M** = MAYBE   **N** = NO

**Y-I** = INDIRECT BENEFIT

**Y-D** = DIRECT BENEFIT

**TICKET SALES**

**EXPAND AUDIENCE**

**EXPAND PROMOTION/REPUTATION**

**CONTRIBUTIONS**

**INCOME TO MUSICIANS**

**LOCAL**

**STATE/REGIONAL**

**INTERNATIONAL**

**YOUNG CHILDREN**

**STUDENTS**

**YOUNG PROFESSIONALS**

**CLASSICAL ATTENDEES**

**CLASSICAL NON-ATTENDEES**

**NON-CLASSICAL INSTITUTIONS**

**COST** (High/Medium/Low)

**BENEFIT** (High/Medium/Low)

**TRADITIONAL**

**CONTEMPORARY**

**POPS**

**EDUCATION**

**P = PERFORMANCE**

**E = EXCERPTS**
## Audio-Visual Goals & Strategies (SAMPLE)

<table>
<thead>
<tr>
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<th>PROGRAM CONTENT</th>
<th>NOTES/CONTENT</th>
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<td>Audio-Visual Collectible:</td>
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<td>Audio-Visual On-Demand:</td>
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<td>&quot;On-Demand&quot; Streaming (YouTube)</td>
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<td>Podcasting</td>
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Implementation Planning

- Take initiative (proactive vs. reactive)
- Determine responsibility for production and distribution functions
- Obtain contractual business agreements
- Obtain contractual agreements with performers and rights holders
- Develop financial plan:
  - “Must Do” projects (built into core budget)
  - “Nice To Do” projects (require dedicated funding)
- Obtain internal approvals
Rights Clearance Overview

• Obtaining agreements with:
  • Musicians
  • Conductors
  • Soloists
  • Chorus
  • Composers/Publishers
  • Stagehands
  • Performance Venues

• Process:
  • Shared goals + strategies
  • Collaborative decision making =
  • Consensus agreements
We digitally reach 1M+ people each week

The first introduction to the Philharmonic is online – through the website or social.

A combination of produced content, managed platforms and partnerships.

**Recordings**

90+ live concert recordings: on all major stores; CDs released for special projects

**TV**

Produced 6 Concert Webcasts

**Radio Broadcast:**

*New York Philharmonic This Week*

52-week show hosted by Alec Baldwin; National and International Distribution

Added China this year

**SOCIAL MEDIA**

Facebook, Twitter, YouTube

1000+ behind-the-scenes, artist interviews, making-of videos
#DSOLive
Live from Orchestra Hall
“Some men see things as they are and ask why. Others dream things that never were and ask why not.”

George Bernard Shaw
THANK YOU