Your 2017 Digital Marketing Priorities

Erik Gensler
CAPACITY INTERACTIVE
June 2017
@CapacityInt
Hello!
Text
“Benchmark”
to 797979
shiny buzzwords
new channels
new targeting technique
articles
sales reps
board members
Priorities /
Today’s Outline

Mobile
Social Storytelling
Video
Search
Digital Infrastructure
Permission Marketing
Time Spent with Medium

[Graph showing Time Spent with Medium from 2012 to 2016 for Digital, TV, Radio, and Print mediums.]

Source: eMarketer
Permission Marketing

Strangers

Friends

Customers

Evangelists
Content

 Leads / Permission

Permission Based Communications / Storytelling

Ticket Sale

Delight
Mobile Optimized Website
Luke W. Wroblewski
MOBILE FIRST
Years for networks to get to 40% of market
RADIO IS NOT TV.

Photo: Robot Chicken Star Wars
THE WEB IS NOT PRINT.
MOBILE IS NOT A DESKTOP PC.
Half of U.S households are Amazon Prime subscribers.

Source: the Atlantic, What in the World is Causing the Retail Meltdown of 2017?
Since 2010, mobile commerce has grown from 2% of digital spending to 20%

Source: the Atlantic, What in the World is Causing the Retail Meltdown of 2017?
Consider all the ways that mobile drives value.

65% of decisions start on mobile and end somewhere else.

Source: Google
Today’s Path to Purchase

Search:
- Mobile
- Tablet
- Desktop

Conversion:
- Mobile
- Tablet
- Desktop
- In person
- On the phone

Source: Google
Sees ad for show on mobile

Browses for show on laptop

Adds show to shopping cart on tablet

Makes final purchase on PC

49% of people would buy more on mobile if it was easier

53% of mobile users abandon sites that take longer than 3 seconds to load

Comparing faster sites (5 seconds) to slower (19 seconds), faster had session lengths 70% longer and bounce rates 35% lower

Mobile sites that loaded in 5 seconds earned almost double the revenue of sites that took 19 seconds to load

Source: The need for mobile speed — from DoubleClick, https://www.doubleclickbygoogle.com/articles/mobile-speed-matters/
Desktop
52% of sessions
29% Bounce Rate
5.4% Conversion Rate
$7.3 Revenue per session

Mobile
36% of sessions
42% Bounce Rate
0.6% Conversion Rate
$0.6 Revenue per session

Tablet
12% of sessions
43% Bounce Rate
3.0% Conversion Rate
$4.2 Revenue per session

Data from May 6, 2015 through July 15, 2015
Millenials buy online far more than older people but millennials are way less satisfied with purchase experience.

Source: Seattle Opera post performance surveys over 6 operas in the past 18 months.
Design for mobile
Make it easy for fat thumbs
Make it easy for fat thumbs
39% of arts orgs do not have a mobile-friendly ticketing path

Source: Capacity Interactive 2016 Digital Marketing Benchmark Study
61% of arts orgs do not have a mobile-friendly subscription path.

Source: Capacity Interactive 2016 Digital Marketing Benchmark Study
37% of arts orgs do not have a mobile-friendly Select-Your-Own-Seats.

Source: Capacity Interactive 2016 Digital Marketing Benchmark Study
Arts organizations sold 55% of tickets online.

Source: Capacity Interactive 2016 Digital Marketing Benchmark Study
Social Media
% of arts organizations posting content on social networks in 2016

Source: Capacity Interactive 2016 Digital Marketing Benchmark Study
Frequency at which arts organizations posted content on social networks in 2016

<table>
<thead>
<tr>
<th>Platform</th>
<th>More than twice a day</th>
<th>Twice a day</th>
<th>Once a day</th>
<th>A few times a week</th>
<th>A few times a month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>12%</td>
<td>27%</td>
<td>37%</td>
<td>22%</td>
<td>3%</td>
</tr>
<tr>
<td>Twitter</td>
<td>20%</td>
<td>16%</td>
<td>17%</td>
<td>29%</td>
<td>13%</td>
</tr>
<tr>
<td>Instagram</td>
<td>5%</td>
<td>21%</td>
<td>41%</td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>YouTube</td>
<td>4%</td>
<td></td>
<td></td>
<td></td>
<td>76%</td>
</tr>
<tr>
<td>Blog</td>
<td>11%</td>
<td></td>
<td></td>
<td></td>
<td>39%</td>
</tr>
<tr>
<td>Snapchat</td>
<td>6%</td>
<td>15%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vimeo</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>19%</td>
</tr>
<tr>
<td>Pinterest</td>
<td>2%</td>
<td>14%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flikr</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>15%</td>
</tr>
<tr>
<td>Google+</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7%</td>
</tr>
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</table>

Source: Capacity Interactive 2016 Digital Marketing Benchmark Study
<table>
<thead>
<tr>
<th>Platform</th>
<th>Active Users</th>
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</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>1.86B</td>
</tr>
<tr>
<td>YouTube</td>
<td>1.00B</td>
</tr>
<tr>
<td>Instagram</td>
<td>700M</td>
</tr>
<tr>
<td>Twitter</td>
<td>328M</td>
</tr>
<tr>
<td>Snapchat</td>
<td>160M</td>
</tr>
<tr>
<td>Pinterest</td>
<td>150M</td>
</tr>
<tr>
<td>LinkedIn</td>
<td>106M</td>
</tr>
</tbody>
</table>

Source: Various
Facebook is prevalent across all age groups

79% of online adults use Facebook

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-29</td>
<td>88%</td>
</tr>
<tr>
<td>30-49</td>
<td>84%</td>
</tr>
<tr>
<td>50-64</td>
<td>72%</td>
</tr>
<tr>
<td>65+</td>
<td>62%</td>
</tr>
</tbody>
</table>

Source: Pew Research Center, 2016
Most Facebook users are on daily.

Three-quarters of Facebook users and half of Instagram users use each site daily.

Among the users of each social networking site, % who use these sites:

<table>
<thead>
<tr>
<th>Platform</th>
<th>Daily</th>
<th>Weekly</th>
<th>Less Often</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>76</td>
<td>15</td>
<td>7</td>
</tr>
<tr>
<td>Instagram</td>
<td>51</td>
<td>26</td>
<td>22</td>
</tr>
<tr>
<td>Twitter</td>
<td>42</td>
<td>24</td>
<td>33</td>
</tr>
<tr>
<td>Pinterest</td>
<td>25</td>
<td>31</td>
<td>43</td>
</tr>
<tr>
<td>LinkedIn</td>
<td>18</td>
<td>31</td>
<td>51</td>
</tr>
</tbody>
</table>
People spend an average of 51 minutes across Facebook platforms each day.

Source: Facebook / The New York Times
Combining reach and usage to get “power”

Relative social media “power”
Product of usage and share, Indexed by platform

Source: IMPACTS research
Age 18–34 Penetration vs. Engagement of Leading Social Networks, USA

(Facebook, Instagram, Twitter, LinkedIn, Pinterest, Snapchat, tumblr, and Vine)

Source: ComScore
Preparing for the 25th Anniversary season.
When people hear information, they're likely to remember 10% of that information three days later.

If a relevant image is paired with that information, people retained 65% of the information three days later.

Source: http://www.brainrules.net/vision.
American Ballet Theatre


4 days and counting until the box office opens. >> http://bit.ly/2eYb0te

Photo by Richard Corman
The 70/30 Rule

what you want

what they want
Lincoln Center for the Performing Arts
Some friendly advice during Shark Week: Don’t go in the water!
#SharkWeek
A doctor, a priest, a train driver, a Muslim cleric, and a student all walk into a bar...

They take out their instruments and play a gig together.

Isn't music wonderful?
WANT TO BE MY STAGE MANAGER? YOU CAN CALL ME ANYTIME.

THEATER PICK-UP LINES

ARE YOU A SPOTLIGHT? BECAUSE YOUR BEAUTY IS BLINDING.

THEATER PICK-UP LINES
He's back!!! Look who arrived this morning...

Colin Presby That is just irresponsible! No restraints, no muzzle, no armed security. What happens if he breaks free and goes on a rampage around the city? I think the documentary Jurassic Park should have taught us all the risks of dinosaur transport.

Brett Yeh #RememberSanDiego

The Academy of Natural Sciences I think you doubt our dinosaur whispering abilities. We've been doing this a long time.

The Academy of Natural Sciences If they did break free, where do you think they would head first?

Gail Parker Dunkin Donuts?

Maggie Pic Haddonfield, NJ? lol

The Academy of Natural Sciences Maybe they'd break out hadrosaurus from inside and take him home across the river...

The Academy of Natural Sciences Gail Parker T. rex would probably be down for a cheese steak.

Jerry McCremon I heard the T rex has changed. Learned the errors of his carnivorous ways; look for him at a good vegan place.
Social Posts
New Jersey Symphony Orchestra
July 4, 2013

Have a perfect 4th!
We translated Facebook's new Reactions for you.

- Like: Allegro piacevole.
- Wow: appassionato.
- Sad: Furioso.
- Haha: Scherzo
- Angry: Élegiaque
789 likes

dancetheatreofharlem Summer is finally here!!
#Motivationmonday by our company member @francislawrence.
$1,800
Media Investment

$7,200
Ticket Sales

290%
ROI
$34,000 Media Investment

$351,000 Ticket Sales

942% ROI
$5,200
Media

$43,000
Ticket Sales

718%
ROI

Bottom of Funnel KPIs | Conversion = Halloween at Hogwarts Purchase

<table>
<thead>
<tr>
<th>Audience Segment</th>
<th>Conv Rate</th>
<th>CPA</th>
<th>Purchases</th>
<th>ROI</th>
<th>Revenue</th>
<th>Impressions</th>
<th>Media Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2_EventResponders</td>
<td>0.165 %</td>
<td>$6.58</td>
<td>69</td>
<td>2,384 %</td>
<td>$11,268.00</td>
<td>41,834</td>
<td>$453.70</td>
</tr>
<tr>
<td>3_Retargeting</td>
<td>0.237 %</td>
<td>$5.75</td>
<td>70</td>
<td>2,383 %</td>
<td>$9,993.00</td>
<td>29,490</td>
<td>$402.41</td>
</tr>
<tr>
<td>5_Lookalikes</td>
<td>0.024 %</td>
<td>$47.03</td>
<td>33</td>
<td>217 %</td>
<td>$4,913.00</td>
<td>137,019</td>
<td>$1,552.14</td>
</tr>
<tr>
<td>6_Interest</td>
<td>0.016 %</td>
<td>$53.69</td>
<td>30</td>
<td>164 %</td>
<td>$4,247.00</td>
<td>182,979</td>
<td>$1,610.79</td>
</tr>
<tr>
<td>0_CRMGeekSquad</td>
<td>0.078 %</td>
<td>$10.29</td>
<td>27</td>
<td>1,256 %</td>
<td>$3,769.00</td>
<td>34,475</td>
<td>$277.93</td>
</tr>
<tr>
<td>2_Retargeting</td>
<td>0.185 %</td>
<td>$4.98</td>
<td>16</td>
<td>3,264 %</td>
<td>$2,679.50</td>
<td>8,642</td>
<td>$79.65</td>
</tr>
<tr>
<td>5_FriendsofFans</td>
<td>0.023 %</td>
<td>$21.25</td>
<td>15</td>
<td>609 %</td>
<td>$2,260.00</td>
<td>65,765</td>
<td>$318.70</td>
</tr>
<tr>
<td>4_Fans</td>
<td>0.057 %</td>
<td>$12.39</td>
<td>15</td>
<td>993 %</td>
<td>$2,032.00</td>
<td>26,262</td>
<td>$185.90</td>
</tr>
<tr>
<td>1_CRMAll</td>
<td>0.046 %</td>
<td>$20.67</td>
<td>12</td>
<td>600 %</td>
<td>$1,737.00</td>
<td>25,969</td>
<td>$248.08</td>
</tr>
<tr>
<td>3_Fans</td>
<td>0.007 %</td>
<td>$133.65</td>
<td>1</td>
<td>5 %</td>
<td>$140.00</td>
<td>13,784</td>
<td>$133.65</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>0.051 %</strong></td>
<td><strong>$18.27</strong></td>
<td><strong>288</strong></td>
<td><strong>718 %</strong></td>
<td><strong>$43,038.50</strong></td>
<td><strong>566,219</strong></td>
<td><strong>$5,262.95</strong></td>
</tr>
</tbody>
</table>

1 - 10 of 10 items
B2C marketers in North America are allocating 32% of their total marketing budget, on average, to content marketing.

Source: Content Marketing Institute's 2016 survey
% budget to create content

Source: Capacity Interactive 2016 Digital Marketing Benchmark Study
49% of arts organizations indicated that “creating compelling content” was a challenge.

*Source: Capacity Interactive 2016 Digital Marketing Benchmark Study*
Then
100% Buy Media

Now
Create Content
Promote Content
Buy Media
Video
The web was built on words. And words, are available to anyone who can type. They're cheap, easy to edit and incredibly powerful when used well.

Today's internet is built on video. Much more difficult to create well, and far more impactful when it works.
Online video influences behavior.

45%  
Think more favorably about a show

68%  
Influences a purchase

Source: Google Ibsos Performing Arts Buyer Study
Video drives conversion and higher AOV

88%
Saw increase in conversion when video added to product pages

50%
AOV is higher for those that watch videos

Source: Liveclicker
Top of funnel
Middle of funnel
Arts organizations are creating more video

Percentage of respondents that produced videos in 2016

- None: 5% (2015), 6% (2016)
- 1 to 5: 33% (2015), 24% (2016)
- 5 to 10: 17% (2015), 20% (2016)
- 10 to 15: 7% (2015), 11% (2016)
- 15 to 20: 11% (2015), 10% (2016)
- 20+: 28% (2015), 29% (2016)
Resource: CI Arts Marketing Video Reel
Paid vs. Organic
Google Grant Program

Source: Capacity Interactive 2016 Digital Marketing Benchmark Study
Google Grant Usage

Percentage of organizations that spent specific amounts of their $10,000 monthly Google Grant budget

Source: Capacity Interactive 2016 Digital Marketing Benchmark Study
99-100% clicks for non-branded keywords come from ads in the top slots.

Source: Google
4 ads above the organic results.
No ad? Like you’re not there
On mobile, 4 ads can show above organic results, but often only 2 ads show before scrolling.
77% of people use a search engine in their research end up buying tickets to a performance.

Source: Google “Selling Out: Understanding the Path to Purchase for Performing Arts Tickets”
11% growth in queries across devices in the Theater & Theater Tickets Category.

(Q4 2016 vs. Q4 2015); Source: Google Quarterly Update
89% of clicks are incremental to organic clicks.

Source: Google “Search Ads Pause Study”
Top of funnel
Middle of funnel
Bottom of funnel
Top Paid Search Paths to Conversion:

SEM assisting other channels

- Paid Search $\rightarrow$ Paid Search
- Paid Search $\leftrightarrow$ Direct
- Paid Search $\leftrightarrow$ Paid Search $\rightarrow$ Paid Search
- Paid Search $\rightarrow$ Organic Search
### Share of Voice

<table>
<thead>
<tr>
<th>Budget</th>
<th>Status</th>
<th>Avg. CPC</th>
<th>Avg. Pos.</th>
<th>All conv</th>
<th>Search Imp. share</th>
<th>Search Lost IS (rank)</th>
<th>Search Lost IS (budget)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100.00/day</td>
<td>Eligible</td>
<td>$0.79</td>
<td>1.5</td>
<td>185.00</td>
<td>40.53%</td>
<td>58.59%</td>
<td>0.88%</td>
</tr>
</tbody>
</table>
‘Winning’ the Auction with Relevance

Relevancy focus lessens the need for high bids to rank well.
QS x Max CPC = Ad Position
5 x $2 = 10
4 x $3 = 12
7 x $2 = 14
To be a successful digital marketer you need to invest in your digital infrastructure.
So, you want to...

- Show a specific social post to someone who abandons their cart on your site.
- Target all single ticket buyers from the last year on display when subscriptions go on sale.
- Measure the return of these efforts down to the product level.

Google Tag Manager (GTM)
Google Tag Manager is like a purse for all your pixels.
57% of arts organizations used tag management programs.

Those without tag management, by annual budget:
- <$1 million: 37%
- $1-10 million: 56%
- $11-20 million: 5%
- $21 million+: 5%

Used Google Tag Manager or other tag management programs:
- Yes: 58%
- No: 42%
A good Google Analytics implementation is the gateway to becoming a digital marketing data fiend.
Only 8% of arts organizations felt that they were using web analytics to their fullest potential in 2016.
52% of arts organizations had eCommerce tracking set up in their analytics platform.

Those who do not have eCommerce, by annual budget:
- Less than $1 million: 69%
- $1-10 million: 58%
- $11-20 million: 15%
- $21 million+: 19%
There are four primary methods for tracking behavior in Google Analytics:

- Pageview Tracking Tag
- Ecommerce Integration
- Advertising Campaign UTMs
- Event Tracking
Analytics tells a story about user behavior on your website. It is not the place to track the success of your digital campaigns.
<table>
<thead>
<tr>
<th>Months</th>
<th>Unique Pageviews</th>
<th>Avg. Time on Page</th>
<th>Entrances</th>
<th>Bounce Rate</th>
<th>% Exit</th>
<th>Page Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2014</td>
<td>5,321,638</td>
<td>00:01:32</td>
<td>3,715,531</td>
<td>00:01:32</td>
<td>1,463,480</td>
<td>31.88%</td>
</tr>
<tr>
<td>April 2014</td>
<td>1,030,913</td>
<td>00:02:12</td>
<td>647,941</td>
<td>00:01:32</td>
<td>460,673</td>
<td>31.14%</td>
</tr>
<tr>
<td>May 2014</td>
<td>791,338</td>
<td>00:00:51</td>
<td>79,099</td>
<td>00:01:32</td>
<td>4,231</td>
<td>31.73%</td>
</tr>
<tr>
<td>June 2014</td>
<td>104,428</td>
<td>00:00:29</td>
<td>51,576</td>
<td>00:01:32</td>
<td>6,168</td>
<td>32.47%</td>
</tr>
<tr>
<td>July 2014</td>
<td>101,867</td>
<td>00:00:52</td>
<td>49,217</td>
<td>00:01:32</td>
<td>142</td>
<td>32.16%</td>
</tr>
<tr>
<td>August 2014</td>
<td>88,371</td>
<td>00:00:29</td>
<td>43,524</td>
<td>00:01:32</td>
<td>9,815</td>
<td>32.16%</td>
</tr>
<tr>
<td>September 2014</td>
<td>82,288</td>
<td>00:00:27</td>
<td>39,916</td>
<td>00:01:32</td>
<td>10,347</td>
<td>32.16%</td>
</tr>
<tr>
<td>October 2014</td>
<td>77,188</td>
<td>00:00:48</td>
<td>62,609</td>
<td>00:01:32</td>
<td>4,525</td>
<td>32.16%</td>
</tr>
<tr>
<td>November 2014</td>
<td>68,858</td>
<td>00:01:23</td>
<td>52,074</td>
<td>00:01:32</td>
<td>8,137</td>
<td>32.16%</td>
</tr>
<tr>
<td>December 2014</td>
<td>63,247</td>
<td>00:01:51</td>
<td>59,333</td>
<td>00:01:32</td>
<td>30,712</td>
<td>32.16%</td>
</tr>
<tr>
<td>January 2015</td>
<td>62,437</td>
<td>00:00:40</td>
<td>49,937</td>
<td>00:01:32</td>
<td>12,338</td>
<td>32.16%</td>
</tr>
</tbody>
</table>
Where you think users are entering
Where users are actually entering
How users enter your site

<table>
<thead>
<tr>
<th>% of Entries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Detail</td>
</tr>
<tr>
<td>Homepage</td>
</tr>
<tr>
<td>Performance Listings</td>
</tr>
</tbody>
</table>
HANSEL & GRETEL

Oct. 15, 16, 19, 22, 26, 28, 29, & 30, 2016
Save 25% on Oct. 29 & 30! Details below.
HANSEL & GRETEL

Oct. 15, 16, 19, 22, 26, 28, 29, & 30, 2016
Save 25% on Oct. 29 & 30! Details below.
Get Your Priorities in Order
To Recap

Mobile
Social Storytelling
Video
Search
Digital Infrastructure
Want More?
2016 Digital Marketing Benchmark Report

Plus:

- SEM webinar video
- Link to reel of our favorite videos of 2016
- Links to more resources like…

Text “Benchmark” to 797979
Social Content Calendar for Arts Marketers
Click the grey cross-arrows to generate a unique CTA

- Buy Tickets » Skip the Line »
- Subscribe » All-Access. All-You. »
- Donate » A Little Bit Goes A Long Way »
- Read More » Take Me There »
You’ll hear about

CI Blog posts
Benchmark Study and other research
CI Podcast episodes
Capacity Classroom Workshops & Webinars
Digital Marketing Boot Camp – October in NYC
Thank You

Erik Gensler
CAPACITY INTERACTIVE
@CapacityInt