OLIVER WYMAN

June 11th, 2009

Audience Growth:
It’s not just good marketing!
Situation, objectives & guiding principles

Oliver Wyman is collaborating with 9 of the most prominent US orchestras to grow their audience and reduce churn.

**Situation**

- The Senior Marketing Professionals of 9 prominent US Orchestras asked Oliver Wyman to assist in understanding the barriers to and motivators of repeat visitation, identify ways to stimulate repurchase, increase frequency, and reduce churn.
- Oliver Wyman undertook this effort on a pro bono basis given its fit with our institutional DNA of customer-led, fact-based growth strategy.
- Oliver Wyman treated this engagement as we would any other “paying” client, with a dedicated team of top consultants.
Introduction to Oliver Wyman

Oliver Wyman was formed in 2007 when several fast-growing firms joined forces to create one of the world’s leading management consultancies.

**MERCER**
Management Consulting
- 26 offices worldwide
- World leader in *general management consulting*

**MERCER OLIVER WYMAN**
- 29 offices worldwide
- World leader in *financial services consulting*

**MERCER DELTA**
Organizational Consulting
- 14 offices worldwide
- World leader in *organizational change consulting*

**OLIVER WYMAN**
- $1.5b in revenue
- 3,300 staff
- 40 offices
Project overview – Analytical path
To reduce churn, we need to understand guests’ behaviors, uncover the true drivers of these behaviors and design the right offers

Phase I
Detailed Box office analysis and customer clustering
Areas of focus
Historical behavior
Who exactly are the orchestra-goers?

Phase II
Satisfaction / Perception research
Customer experience
What elements of their experience drive them to come back...or not?

Phase III
Offer design and testing
Decision at the point of purchase
What offers will be most successful in bringing them back again?
New customers and churn
Orchestras do a great job at bringing new people into the halls but have difficulty retaining them year on year.

Evolution of attendance between ’05/’06 season & ’06/’07 season

Number of customers
Households

'05/’06 Customers

21,218

Churn
55%

New
57%

'06/’07 Customers

21,703

Source: All orchestras box office data (2006), Oliver Wyman analysis
1 – One or two years “dippers” are estimated to be 9% of the audience - Calculated with patrons who came in ’03/’04 and skipped one or two years.
2 – National average: volume-weighted average of the 9 participating orchestras.
Predictors of churn
Frequency and tenure are the most significant predictors of churn

Churn by frequency – ‘05/’06 season

Source: All orchestras box office data (2006), Oliver Wyman analysis
1 - Years since first concert attended
2 - Number of concerts attended in 2005/2006
Predictors of churn
Frequency and tenure are the most significant predictors of churn.
“Clustering” of guests
We have used frequency and tenure to define six clusters of guests with very different behaviors – but encouragingly similar “DNA”

Unconverted trialists: 1st timers who attend one concert and don’t come back

Special occasions: Customers who attend only one concert per year, but might attend for multiple years

Non-committed: People who attend a couple of concerts per year but still churn at high rates

Snackers: A subscriber who consistently attends smaller concert packages and is very loyal in attending concerts for many years

High potentials: Will attend a lot of concerts and are likely to purchase a subscription but not yet long term converts

Core audience: Almost all are subscribers, will attend numerous concerts every year for many years

Source: All orchestras box office data (2006 national averages), Oliver Wyman analysis
Relative Importance…and Potential

The unconverted trialists are not very visible in any particular concert, but they represent a huge portion of those touched during a year.

Source: All orchestras box office data (2006), Oliver Wyman analysis

1 – Average number of Households across all orchestras: 21,218 – Average number of total seats: 151,732
**Long-term value of guests by cluster**

Successfully “graduating” these Unconverted trialists yields very significant increase in long term value

![Graph showing the 5y value for one average household, by cluster]

- **Unconverted trialists**: $199 in total revenue, $51 from donations, $148 from ticket sales.
- **Special occasions**:
  - Donations: $566
  - Ticket sales: $262

- **Non-committed**:
  - Donations: $845
  - Ticket sales: $268

- **Snackers**:
  - Donations: $2,141
  - Ticket sales: $1,100

- **High potentials**:
  - Donations: $2,480
  - Ticket sales: $1,517

- **Core audience**:
  - Donations: $4,896
  - Ticket sales: $2,530

**Average of 4 orchestras**

Source: ASO, The Cleveland Orchestra, NY Philharmonic, San Francisco Symphony box office data (06-07), Oliver Wyman analysis, Figures Inclusive of donations

1 – Donation is much more highly correlated with tenure than it is with frequency
Phase I recommendations

**High-level recommendation:** Explicit and differentiated focus on Unconverted trialists

Source: Orchestras box office data (2006), Oliver Wyman analysis
1 – Average for SFS, NY Phil, ASO
Judy’s orchestra experience
“This was my first time back to the Orchestra since I was a kid, but it is likely to be my last”

I hadn’t been to the Orchestra since I was a kid, so I bought 2 tickets for a Mozart concert.

That day, work got completely crazy so I couldn’t make it.

I tried calling the orchestra to exchange the tickets, but I was told my only option was to “donate” them!

I decided to give it another shot 3 months later when my favorite composer, Tchaikovsky, was playing.

Parking was a nightmare. It took us 25 minutes to find a spot!

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Parking was a nightmare. It took us 25 minutes to find a spot!

By then, it was too late to have dinner. I was starving at intermission but the bar was super crowded, didn’t have any food and a drink was $12!

The musicians played very well but I knew nothing about two of the pieces played.

Imagine my surprise when 3 days later the orchestra called me to ask if I wanted to buy a subscription. I told them no and then 3 weeks later they called for a donation!

Though I don’t think I am ever going back, they continue to flood me with mail, phone calls and emails. What a drag!

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Factor analysis
From the 78 attributes tested, we have identified the 16 most robust factors that influence customer behaviors

<table>
<thead>
<tr>
<th>Core product</th>
<th>Music enhancement</th>
<th>Hall access</th>
<th>Social experience</th>
<th>Transactional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repertoire</td>
<td>Music information</td>
<td>Access</td>
<td>Social outing</td>
<td>Planning &amp; purchasing</td>
</tr>
<tr>
<td>Enriching experience</td>
<td>Live commentary</td>
<td>Parking</td>
<td>Bar</td>
<td>Exchanges</td>
</tr>
<tr>
<td>Repertoire</td>
<td>Special effects</td>
<td>Ability to attend</td>
<td>“The orchestra club”</td>
<td></td>
</tr>
<tr>
<td>Hall</td>
<td>Live commentary</td>
<td>Ability to attend</td>
<td>“The orchestra club”</td>
<td></td>
</tr>
<tr>
<td>Repertoire</td>
<td>Special effects</td>
<td>Pre-Concert discussions increase my enjoyment of the concert</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contemporary music</td>
<td>Special effect</td>
<td>Pre-Concert discussions increase my enjoyment of the concert</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contemporary music</td>
<td>Special effect</td>
<td>Pre-Concert discussions increase my enjoyment of the concert</td>
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<td></td>
</tr>
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<td>Special effect</td>
<td>Pre-Concert discussions increase my enjoyment of the concert</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Core Product

### Repertoire
- During the season, the selection of works is appealing
- During any given performance, the selection of piece(s) is appealing
- The selection of performances within a subscription series is appealing

### Orchestra prestige and quality
- The Orchestra brings us famous guest conductors
- This Orchestra is one of the nation’s leading Orchestras
- The Orchestra brings us famous guest soloists
- The musicians’ level of play is always outstanding

### Enriching experience
- Attending a concert is stimulating
- Attending a concert is entertaining
- Attending a concert is always a special experience
- I can feel a connection between the artists and myself when they perform
- I feel a connection between myself and my fellow attendees

### Contemporary music
- I enjoy contemporary orchestral music
- I like the sound of contemporary orchestral music
- I understand contemporary orchestral music
- I am very interested in not so well-known composers

Source: Oliver Wyman customer experience methodology, results from one individual participating orchestras
## Music: Favorite composers and solo instruments

Trialists and Core audience share similar taste for composers and solo instruments.

### Favorite composer

<table>
<thead>
<tr>
<th>Composer</th>
<th>Unconverted trialists</th>
<th>Core audience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beethoven</td>
<td>41%</td>
<td>51%</td>
</tr>
<tr>
<td>Mozart</td>
<td>32%</td>
<td>34%</td>
</tr>
<tr>
<td>Tchaikovsky</td>
<td>24%</td>
<td>24%</td>
</tr>
<tr>
<td>Bach</td>
<td>18%</td>
<td>16%</td>
</tr>
<tr>
<td>Mahler</td>
<td>14%</td>
<td>19%</td>
</tr>
<tr>
<td>Brahms</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>Rachmaninoff</td>
<td>9%</td>
<td>11%</td>
</tr>
<tr>
<td>Shostakovich</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>Dvorak</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>Chopin</td>
<td>5%</td>
<td>11%</td>
</tr>
<tr>
<td>Vivaldi</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>Stravinsky</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Copland</td>
<td>7%</td>
<td>10%</td>
</tr>
<tr>
<td>Gershwin</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>Sibelius</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>Prokofiev</td>
<td>4%</td>
<td>8%</td>
</tr>
<tr>
<td>Handel</td>
<td>4%</td>
<td>7%</td>
</tr>
<tr>
<td>Debussy</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Strauss</td>
<td>4%</td>
<td>6%</td>
</tr>
<tr>
<td>Ravel</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Mendelssohn</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Bartók</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>Schubert</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Bernstein</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Berlioz</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Haydn</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Elgar</td>
<td>1%</td>
<td>3%</td>
</tr>
<tr>
<td>Liszt</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Schumann</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Rossini</td>
<td>0%</td>
<td>2%</td>
</tr>
</tbody>
</table>

### Favorite solo instrument

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Unconverted trialists</th>
<th>Core audience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Piano</td>
<td>65%</td>
<td>75%</td>
</tr>
<tr>
<td>Violin</td>
<td>53%</td>
<td>53%</td>
</tr>
<tr>
<td>Cello</td>
<td>35%</td>
<td>34%</td>
</tr>
<tr>
<td>French horn</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>Trumpet</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Clarinet</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Flute</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Viola</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: Oliver Wyman Strategic Choice Analysis® survey, Box office data for weighting of orchestra, cluster and churn, unweighted N = 1,908 for UC and 1,202 for CO

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1 – Music: Impact on share

Unconverted trialists are very sensitive to both their favorite composer and soloists. The orchestras could offer these specific concerts when calling on this cluster.

Change in share of take of offer
All other attributes and offers held constant

<table>
<thead>
<tr>
<th>Base share</th>
<th>Unconverted trialists</th>
<th>Core audience</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Single ticket</td>
<td>Large SUB</td>
<td></td>
</tr>
<tr>
<td></td>
<td>37%</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Genre</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Classical</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Romantic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20th century</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blank</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contemporary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+1 contemporary piece</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>+1 world premiere</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 familiar pieces</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 familiar &amp; unfamiliar pieces</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 unfamiliar pieces</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All orchestra</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Composition</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Includes [instrument] solos</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Includes vocal solos</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Includes choral pieces</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Famous soloist</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soloist</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Up-and-coming soloist</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[Blank]</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Music info</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program notes on the website</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program pod casts on the website</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Onstage intro to unfamiliar pieces</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-concert talks on program</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conductor's insights in adv.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
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Source: Oliver Wyman Strategic Choice Analysis® survey, Box office data for weighting of orchestra, cluster and churn, unweighted N = 1,908 for UC and 1,202 for CO

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<table>
<thead>
<tr>
<th>Music information</th>
<th>Live commentary</th>
<th>Special effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>I look for information on the music before a concert</td>
<td>Pre-Concert discussions increase my enjoyment of the concert</td>
<td>Special lighting and/or visuals enhance the music</td>
</tr>
<tr>
<td></td>
<td>The conductor’s personal comments enhance my enjoyment of the concert</td>
<td></td>
</tr>
</tbody>
</table>

Source: Oliver Wyman Strategic Choice Analysis® survey, Box office data for weighting of orchestra, cluster and churn, unweighted N = 1,908
## Operations and Logistics

### Hall
- The auditorium architecture and décor are appealing
- The lobby is attractive
- The auditorium acoustics are state of the art

### Parking
- There are enough parking options near the Hall
- Entering / exiting the parking lot is fast
- The Hall is easily accessible by car

### Access
- The Hall is easily accessible by public transportation
- The policy regarding latecomers is appropriate
- I feel safe in the Hall's surroundings

### Ability to attend
- My health permits me to attend concerts whenever I want
- I never miss a concert I have tickets for

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Source: Oliver Wyman Strategic Choice Analysis® survey, Box office data for weighting of orchestra, cluster and churn, unweighted N = 1,908
Social Experience

Social outing
- I always find friends / family members to go with me
- I always top the concert with a nice dinner or drinks
- I don’t mind going alone to a performance

Bar
- The Orchestra’s bar offers the refreshments that I want
- The service at the Orchestra’s bar is fast and friendly
- The Orchestra’s bar is good value for the money

“The orchestra club”
- Being able to talk about concerts gives me some “prestige” at work / with friends
- I enjoy meeting other attendees during the Orchestra’s receptions
- I love events where I can meet the performers and the directors in person

Source: Oliver Wyman Strategic Choice Analysis® survey, Box office data for weighting of orchestra, cluster and churn, unweighted N = 1,908
Areas of focus by cluster
Experience is tantamount for all, however, experience for Core Audience is the music, while for Trialists it is a seamless end-to-end experience.

Important elements of the customer experience

<table>
<thead>
<tr>
<th>Core audience</th>
<th>Unconverted trialists</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Repertoire</strong></td>
<td><strong>Repertoire</strong></td>
</tr>
<tr>
<td><em>Something Familiar</em></td>
<td><em>Don’t surprise me</em></td>
</tr>
<tr>
<td><em>Something New</em></td>
<td></td>
</tr>
<tr>
<td><strong>Enriching experience</strong></td>
<td><strong>Music information</strong></td>
</tr>
<tr>
<td><em>Stimulate me and help me connect with artists and attendees</em></td>
<td><em>Initiate me</em></td>
</tr>
<tr>
<td></td>
<td><strong>Social experience</strong></td>
</tr>
<tr>
<td></td>
<td><em>Let’s socialize!</em></td>
</tr>
<tr>
<td></td>
<td><strong>Exchanges</strong></td>
</tr>
<tr>
<td></td>
<td><em>Me too!</em></td>
</tr>
<tr>
<td></td>
<td><strong>Access &amp; Parking</strong></td>
</tr>
<tr>
<td></td>
<td><em>No hassle</em></td>
</tr>
</tbody>
</table>

Note: Areas of focus can differ by orchestra, as their current performance should also be taken into account in the prioritization process. But the seeking of a holistic experience is consistent nationwide.
Phase II recommendations

**High-level recommendation:** Create a seamless and social end-to-end experience for Unconverted trialists
Summary – Unconverted trialists – All orchestras

Change in share of offer of single tickets
All other attributes and offers held constant

Significant variation by day of week / seat band
Pricing implications?

Discounts by far the most powerful lever

Significant uptake from favorite composer

Change in share of offer %

Genre | Familiarity | Soloist | Day | Seat | Upgrades | Parking | Discount
--- | --- | --- | --- | --- | --- | --- | ---
Contemporary | Composition | Music info | Seat selection | Exchanges | Promotion | Price sensitivity

Source: Oliver Wyman Strategic Choice Analysis® survey, Box office data for weighting of orchestra, cluster and churn, unweighted N = 1,908
Phase III recommendations

**High-level recommendation:** Use tailored promotional offers to sell another single ticket or two to Unconverted trialists before asking for a commitment
Defining a new and comprehensive value proposition for “Unconverted trialists”

<table>
<thead>
<tr>
<th>Repertoire</th>
<th>Music information</th>
<th>Social experience</th>
<th>Access</th>
<th>Relationship building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Don’t surprise me: I want pieces that ‘ring a bell’</td>
<td>Initiate me: Really? Interesting to know!</td>
<td>Let’s socialize!: I want to have a good time with my friends</td>
<td>No hassle: I just want to park and forget about my car</td>
<td>Don’t ask me to marry you after the first date: I don’t want to commit yet</td>
</tr>
<tr>
<td>Enough familiar concerts to choose from during the season</td>
<td>Enough background to enjoy the performance</td>
<td>Enjoyable pre- (and post-) concert experience</td>
<td>Easy to get to and park at the hall</td>
<td>One step at a time</td>
</tr>
</tbody>
</table>
Value proposition for Unconverted trialists

The periods before and after the concert are also an inherent part of the orchestra experience and should be seen as opportunities to enrich it.

<table>
<thead>
<tr>
<th>Pre-performance</th>
<th>Getting to and in the Hall</th>
<th>Performance</th>
<th>Post-performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2 months prior to the concert</td>
<td>1-2 weeks after the concert</td>
<td>1-2 weeks after the concert</td>
<td></td>
</tr>
</tbody>
</table>

### Repertoire
- Enough newcomer friendly concerts
- Promotion of upcoming performances
- Amazon-like suggestions

### Music information
- Conductor’s insights in advance
- Pre-concert discussions
- Onstage intro to the piece
- Podcast of the live performance

### Social experience
- “Bring a friend for free” promotions
- Restaurant partnerships
- Bar improvement
- Info sent to entire party

### Exchanges
- Exchanges for single tickets
- Exchanges up to the last minute
- Add’l staff to speed exit
- Pre-paid vouchers
- Reserved spots

### Access
- Pre-paid vouchers
- Reserved spots
- Add’l staff to speed exit

### Operational excellence
- Welcome package with logistics info
- Signage and ushers
- Seat upgrades
- Thank you notes
- Tailored offers (small packages / single tickets) and discounts
Potential additions to the newcomer customer experience
The pre-performance focus should be on getting them familiar with the Hall and the music.

- Offer a minimum of newcomers friendly concerts per season and spread them out across the season
  - Programs with at least one very popular piece/composer
  - In priority on Fridays and Saturdays nights
- Search by date/day of the week or composer/piece for people with simple preferences
- Provide “recommended for first-timers” concert flags on website

- Send information on the composers/pieces of the performance the patron is about to attend (potentially in reminder email):
  - Ideally, personal comments of the composer / soloist / musicians
- Have a section on the website geared at newcomers

- Encourage bringing friends with volume discounts such as ‘bring a friend for free’ promotions
- Offer possibility to specify “close to those seats” for parties buying separately
- Send information (confirmation/reminder) to all parties coming, not just the patron who purchased the ticket – additional benefit of increasing marketing database

- Partner with nearby parking lots to sell flat-rate parking tickets in the same transaction

- Send “Welcome to the orchestra” package with info on parking, bar… (potentially in confirmation email), could include drink or parking voucher
- Send reminder email - Keep it free of “sales pitch”
- Identify “high % first timers” concerts to adjust day –of operations accordingly (e.g., more ushers…)
- For “hard to sell concerts” (contemporary concerts, vocal…), don’t fill the hall with comp tickets to prospects
Potential additions to the newcomer customer experience

The focus in the few hours before the performance should be on the social experience and facilitating access.

- Host pre-concert discussions geared at newcomers where the experts (musicians, directors, music professors…) can answer questions in advance

- Give a warm atmosphere to the Hall:
  - Have a mingling area next to the bar, if there is scarcity of seats
  - Decorate the hall (piece of arts, lighting, flowers, etc)

- Offer packages with close-by restaurants (dinner before) or bars (drinks after)

- Host newcomer receptions?

- Ensure fast entry/exit (flat rates, pre-paid vouchers, extra staff, police help)

- Offer valet parking?

- Partner with a car service company for after the concert?

- If necessary, improve security between the Hall and the nearest public transportation station(s)

- Improve signs which help you find your seat

- Offer complimentary (and fast) coat check
Potential additions to the newcomer customer experience

The performance is obviously about the music – but not only: the bar offers a great opportunity to give a social/festive tone to the experience.

- Promote upcoming performances through:
  - playbill, concierge, flyers/postcards…

- Particularly at “first timer” heavy concerts, have the conductor provide a brief introduction of the piece (specific enough not to bore core audience)

- Improve the program notes, make them more engaging

- Provide an information booth with self-service leaflets on composers, genres, instruments…

- Minimize bar waiting time and “throughput capacity”
  - increase staff, stations, hours of operations
  - option to pre-order intermission drinks / have voucher to speed process

- Transform the bar from an “afterthought”/ “time killer” to a wanted experience
  - Review and improve selection
  - Review pricing / offer targeted discounts including “try our bar” offers

- Have seat upgrades for newcomers so that they can experience premium view/acoustics
Potential additions to the newcomer customer experience

The goal after the first performance is to sell patrons one or two extra concerts – but not to ask them to marry you - so no donation/subscriptions calls in the courtship period

- Send “If you liked that, you’ll also like this” recommendation emails

- Send a podcast/CD with extracts of the live performance?

- Offer / sell performance-related goodies? CDs / DVDs of live performance, pictures of performers…

- Send a “Thank you for coming” note
- Send Thanksgiving / Valentine’s Day cards without “sales pitch”
- Approach by preferred channel in the month of the concert with tailored offers:
  - Newcomer series (2-4 concert package of very popular pieces)
  - Small ‘choose your own’
  - Single ticket
- Offer discount for second visit (sent with tickets, voucher given on the way out, sent with thank you note, sent a few weeks later)
- Implement loyalty program with simple benefits (subset of subscribers benefits), such as exclusivity periods for most popular concerts, transaction fee waiver if more than 5 concerts…
- Don’t solicit donations / large subscriptions too early (wait for after a few concerts)
John’s great anniversary (1/2)

It was such a special and festive night…

I wanted to go to the Philharmonic with my wife on a Saturday close to our anniversary.

Fortunately, they had a Beethoven (my favorite!) concert with a violin soloist that month.

It was so easy to purchase tickets online, I could even pick the seats. Exchanges were free – just in case we couldn’t find a babysitter!

I was afraid of commuting, but I did reserve and prepay a parking spot near the Hall when buying my tickets. The confirmation email even had the directions!

I really liked the email we got a week before the concert with comments from the conductor and a podcast. It got us really excited about the evening.

We had dinner in a nice restaurant nearby that the orchestra recommended. They had the “pre theater” menu which was very good and served quickly.

We arrived early at the Hall, so we left our coats at the complimentary coat check and read the playbill. Turned out, the soloist was a famous guy from South America!

The conductor shared a funny anecdote and gave us something to listen to.
John’s great anniversary (2/2)
... we decided to do it again a month later

The music was great. I wasn’t expected anything less from the Philharmonic!

During intermission, we had a glass of champagne with my wife’s favorite chocolate treat. We had enough time to sit and chat at a table.

Leaving the Hall and the parking was quick.

The following week we received a CD of the performance we attended reminding us of the good time we had.

A week later we received a brochure with 2 or 3 concert packages in the spring. They offered great discounts and free drinks to the 1st concert.

We bought a 2-concert package

Still wondering why we didn’t do it earlier!

...
CUSTOMER NURTURING RESULTS

Baltimore Symphony Orchestra
2009-10 Subscribers (to date)

- NTS attended 1 concert 0.3%
- NTS took Killer Offer 3.8%
- NTS attended 2+ concerts 10.4%
CUSTOMER NURTURING RESULTS

Orlando Philharmonic Orchestra
2009-10 Subscribers (to date)

- Attended 1 concert 2.9%
- Attended 2+ concerts 22.6%
CUSTOMER NURTURING RESULTS
Pensacola Symphony Orchestra
2009-10 Subscribers (to date)

- Attended 1 concert 3.7%
- Attended 2 concerts 8.8%
- Attended 3+ concerts 12.8%
CUSTOMER NURTURING RESULTS
Pensacola Symphony Orchestra
2008-9 Contributors

- Attended 1 concert 1.8%
- Attended 2+ concerts 10.2%
For further information or to share your experience in inhibiting churn, contact:

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