League of American Orchestras
2011 National Conference

Churning Butter into Gold: Patron Growth Initiative
About the Patron Growth Initiative

- PGI Purpose: To help orchestras grow total lifetime value.
  
  - Year-long effort included datamining, qualitative, and quantitative research.

- Database of 545,000 patrons from 9 large US orchestras was created.
  
  - Patrons were defined as households who purchased subscription season classical concert tickets or made a donation at least once between FY05-FY09.
  
  - Each record included all classical concert purchases (tickets, concerts, dollars) and all donations (annual fund, endowment, special appeals, capital campaigns, matching gifts, special events) for each season.

- Extensive survey was conducted among 13,000 patron households with the data linked back to transaction/donation database.
About the Patron Growth Initiative

- Project was funded by orchestras, with direct participation by senior marketing and development staff:

  Atlanta Symphony Orchestra       Charlie Wade
  Boston Symphony Orchestra        Bart Reidy, Kim Noltemy
  Chicago Symphony Orchestra       Kevin Giglindo, Peggy Titterington
  Cincinnati Symphony Orchestra    Susan Plageman, Sherri Prentiss
  Houston Symphony Orchestra       Glenn Taylor
  Los Angeles Philharmonic         Tim Landi, Shana Mathur
  New York Philharmonic            Judith Helf, David Snead
  Pacific Symphony Orchestra       Michael Buckland, Gary Good, Sean Sutton
  The Philadelphia Orchestra       Janice Hay, Ari Solotoff

- Project facilitator - Jack McAuliffe, Engaged Audiences LLC

- Lead researchers - Kate Prescott and Kim Williams-Shuker, PhD
datamining: identifying patron commitment clusters
Key Conceptual Question: What are the patron commitment clusters and pathways?

Donor Commitment

LOW

HIGH

LOW

Concert Commitment

HIGH
Patron Commitment Clusters
-- Cluster Analysis of FY05-09 Transactions/Donations Database --

Heavy Donors
$5,000+

Medium Donors
$1,250-4999

Light Donors
$375-1,249

Very Low Donors
$100-374

Non-Donors
<$100

Donors

Loyal Donors

One-time/Uncommitted Donors

Buyer Donors

Extreme Patrons

Loyal Subscribers

Transitional Buyers

Lapsed Subscribers

Newer Subscribers/Multi-buyers

One-time/Uncommitted Buyers

Non-Buyers
<$125

Very Low Buyers
$125-374

Light Buyers
$375-999

Medium Buyers
$1,000-2,499

Heavy Buyers
$2,500+

average FY05-09 ticket$
Patron Commitment Clusters
-- Cluster Analysis of FY05-09 Transactions/Donations Database --

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Heavy Buyers
$2,500+

Average FY05-09 Ticket $:

T: 95% - $9,071
D: 68% - $34,974
Patron Commitment Clusters
-- Cluster Analysis of FY05-09 Transactions/Donations Database --

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$1,250-4,999

Light Donors
$375-1,249

Very Low Donors
$100-374

Non-Donors
< $100

Donors

Loyal Donors

One-time/Uncommitted Donors

T: 100% - $163
D: 4% - $16

Lapsed Subscribers

Newer Subscribers/Multi-buyers

One-time/Uncommitted Buyers

Non-Buyers
< $125

Very Low Buyers
$125-374

Light Buyers
$375-999

Medium Buyers
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Heavy Buyers
$2,500+

T: 95% - $9,071
D: 68% - $34,974

Extreme Patrons

Loyal Subscribers

--- Average FY05-09 Gift $ ---

T: 95% - $9,071
D: 68% - $34,974
Patron Commitment Clusters
-- Cluster Analysis of FY05-09 Transactions/Donations Database --

### Patron Commitment Clusters

- **Heavy Donors**
  - $5,000+

- **Medium Donors**
  - $1,250-4,999

- **Light Donors**
  - $375-1,249

- **Very Low Donors**
  - $100-374

- **Non-Donors**
  - < $100

- **Non-Buyers**
  - < $125

- **Very Low Buyers**
  - $125-374

- **Light Buyers**
  - $375-999

- **Medium Buyers**
  - $1,000-2,499

- **Heavy Buyers**
  - $2,500+

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### Average FY05-09 Gift $s

- **Donors**
  - Average FY05-09 Gift $s:
    - Donors: $9,071
    - Loyal Donors: $34,974
    - One-time/Uncommitted Donors: $136
    - Newer Subscribers/Multi-buyers: $16

---

**Extreme Patrons**

- 95% - $9,071
- 68% - $34,974

**Non-Buyers**

- 100% - $163

**Lapsed Subscribers**

- 100% - $3,949

---

**Loyal Subscribers**

- 100% - $3,949

---

**Loyal Donors**

- 27% - $136

---

**One-time/Uncommitted Buyers**

- 100% - $163
- 4% - $16

---

**ONE-TIME / UNCOMMITTED BUYERS**

- 100% - $163
- 4% - $16

---

**Newer Subscribers/Multi-buyers**

- 4% - $16

---

**Non-Buyers**

- < $125

---

**Very Low Buyers**

- $125-374

---

**Light Buyers**

- $375-999

---

**Medium Buyers**

- $1,000-2,499

---

**Heavy Buyers**

- $2,500+
Size of Patron Commitment Clusters
-- % of Total HHs --

Primary Clusters

One-Time/Uncommitted Buyer Sub-clusters

- One-time/Unc. Buyers: 65%
- Lapsed Subscribers: 4%
- Newer Subs/Multi-Buyers: 9%
- One-time/Unc. Donors: 4%
- Loyal Donors: 10%
- Loyal Subscribers: 7%
- Extreme Patrons: 4%

- One-Time/Uncommitted Buyer: 2005 (10%), 2006 (13%), 2007 (13%), 2008 (13%), 2009 (16%)
burning platform
Less than 10% of HHs accounted for almost three-quarters of total revenue.
Ticket Sales and Gifts Sourced by Patron Clusters

Less than 15% of HHs accounted for over 90% of total gifts.
Age Effects on Revenue

Two-thirds of revenue sourced from HHs where patrons are 65+ and almost 90% is from 55+ HHs.
Total Revenue Derived from Donations and Ticket Sales

Donations are extremely critical to total revenue; almost two-thirds of FY05-09 revenue came from gifts.
Reported Donation Likelihood In the Next Year

Buyer clusters are not inclined to give.

- Extreme Patrons: 54%, 29%
- Loyal Subscribers: 52%, 33%
- Loyal Donors: 72%, 12%
- One-time/Unc. Donors: 34%, 38%
- Newer Subs/Multi-Buyers: 60%, 22%
- Lapsed Subscribers: 71%, 14%
- One-time/Unc. Buyers: 80%, 6%

Measure: 5-point scale from Extremely Likely to Not At All Likely
Donations Penetration by Orchestra Attendance Tenure

Chart showing the percentage of patrons who have donated to the orchestra, by years of attendance. The chart illustrates that donations typically lag orchestra concert attendance tenure by 10+ years.

- 14% of patrons have donated within 1-2 years of being a patron.
- 23% have donated within 3-4 years.
- 30% have donated within 5-9 years.
- 43% have donated within 10-14 years.
- 50% have donated within 15-19 years.
- 48% have donated within 20-29 years.
- 57% have donated within 30-39 years.
- 62% have donated within 40+ years.

38% of total patrons report ever donating. On average, first donations were made 16 years ago.
Revenue is significantly lower among HHs with <10 tenure years.

Donations don’t outpace ticket sales until 30+ tenure years.
silver lining
Significant Relationship Between Concert Going & Donations

% Donating in FY05-09 By Tenure & FY05-09 Frequency

Donations are driven significantly by attendance frequency and tenure.

Frequency trumps tenure.

At low frequency even long tenure has little effect on donations likelihood.

At any tenure level increasing frequency has dramatic effect on donations.

Base: Buyer clusters; FY05-09 database donations.
Significant Relationship Between FY09 Attendance & Donations

% Donating FY05-09 By Tenure & FY09 Frequency

High frequency in 09 season is also strongly correlated with donations over 5-year period.

Base: Buyer clusters; FY05-09 donation - database.
recommended actions
1. drive frequency and tenure through compelling concert experiences
Primary Reasons for Attending Most Recent Concert

NET: CONCERT-RELATED
- Concert/event sounded interesting: 80%
- To hear particular composition: 57%
- To hear particular composer: 36%
- To hear particular guest soloist: 23%
- To hear particular conductor: 19%
- Had subscription: 27%

NET: SOCIAL REASONS
- Student/went for class: 44%
- Curious to see what it was like: 4%
- Someone took me: 4%
- Was given tickets: 8%
- Got discount offer: 11%

NET: OTHER FACTORS
- Was in town visiting: 4%
- Curious to see what it was like: 2%
- Student/went for class: 1%

NET: CONCERT-RELATED
- Purchase decisions are based foremost on concerts patrons believe they will enjoy.
Primary Reasons for Purchasing a Subscription

- Love classical music: 83% (Loyal Subscribers), 71% (Newer Subscribers)
- Believe orchestra is top-notch: 75% (Loyal Subscribers), 62% (Newer Subscribers)
- To support the orchestra: 65% (Loyal Subscribers), 50% (Newer Subscribers)
- To retain seats year to year: 61% (Loyal Subscribers), 25% (Newer Subscribers)
- Habit/have been doing for a long time: 44% (Loyal Subscribers), 12% (Newer Subscribers)
- For ticket exchange privileges: 42% (Loyal Subscribers), 29% (Newer Subscribers)
- Packages are discounted: 47% (Loyal Subscribers), 32% (Newer Subscribers)
- Good subscription offer: 44% (Loyal Subscribers), 26% (Newer Subscribers)
- Get tickets for concerts really want to see: 50% (Loyal Subscribers), 37% (Newer Subscribers)
- Could choose concerts I want: 54% (Loyal Subscribers), 38% (Newer Subscribers)
- Smaller packages available: 43% (Loyal Subscribers), 15% (Newer Subscribers)

Newer subs are much more program and deal-driven.
Importance of Concert Elements in Attendance Decisions

- **Composers on program**:
  - Very Important: 63%
  - Somewhat Important: 29%
  - Not Too Important: 6%
  - Not At All Important: 2%

- **Compositions being performed**:
  - Very Important: 61%
  - Somewhat Important: 32%
  - Not Too Important: 6%
  - Not At All Important: 3%

- **Specific guest soloists**:
  - Very Important: 27%
  - Somewhat Important: 49%
  - Not Too Important: 20%
  - Not At All Important: 4%

- **Specific conductors**:
  - Very Important: 20%
  - Somewhat Important: 46%
  - Not Too Important: 28%
  - Not At All Important: 6%
Interest in Classical Music Periods

Measure: 4-pt scale from ‘Love’ to ‘Don’t Care For’
Interest in Classical Music Periods
-- ‘Love’ Musical Period --

Measure: 4-pt scale from ‘Love’ to ‘Don’t Care For’
Concert Enjoyment Factors  
-- Would Make Concerts More Enjoyable --

Greater enjoyment is derived from more context and programs aligned with patron preferences.

Overall pattern held across clusters.

- Learning to 'listen' for different elements: 39%
- Brief explanations from stage: 39%
- Knowing more about context of compositions: 36%
- More pieces from periods I like: 35%
- Learning about pieces in advance: 33%
- Lesser known pieces by familiar composers: 28%
- More complex challenging pieces: 28%
- Seeing big-name guest soloists: 26%
- In-depth commentary from conductor/host: 25%
- Meeting musicians/conductor: 25%
- Better understanding of contemporary: 24%
- Being able to sit back and 'feel' the music: 22%
- Learning about musician’s musical background: 21%
- More familiar pieces: 20%
- Website pieces/clips in advance: 19%
- More user-friendly program notes: 14%
- Invitations to private receptions: 13%
- More social activities with other attenders: 9%
- Onstage video screens/multi-media: 8%
- No talking from the stage: 8%
- Less formal atmosphere: 8%
2. build stronger brand relationships
Patron Perceptions of Relationship with Orchestra

Very low top box (1) scores

Overall pattern of low ratings presents picture of generally weak brand relationships.

- Deserves my support: 15% 33% 38% 12% 2%
- Needs my support: 11% 29% 40% 16% 4%
- Plays what I like: 9% 34% 40% 12% 5%
- Does more for me than I do for them: 11% 24% 47% 16% 2%
- Treats me like a valued patron: 9% 25% 45% 17% 4%
- Is very responsive to my needs: 6% 21% 53% 16% 4%
- Fits easily into my life: 9% 23% 32% 21% 15%
- Cares about me as a person: 3% 11% 47% 33% 7%

- Doesn't deserve my support
- Doesn't need my support
- Plays what they like
- Does less for me than I do for them
- Takes me for granted
- Is very unresponsive to my needs
- Is difficult to fit into my life
- Only cares about my money
## Patron Perceptions of Relationship with Orchestra

### While patrons would miss their orchestra, feelings of closeness are especially weak.

<table>
<thead>
<tr>
<th>Perception</th>
<th>Scale 1</th>
<th>Scale 2</th>
<th>Scale 3</th>
<th>Scale 4</th>
<th>Scale 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Would miss them terribly if they went away</td>
<td>31%</td>
<td>37%</td>
<td>22%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Have never had a problem with them</td>
<td>31%</td>
<td>36%</td>
<td>25%</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Always recommend them to my friends</td>
<td>17%</td>
<td>32%</td>
<td>32%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Hear a lot about what they're doing</td>
<td>12%</td>
<td>33%</td>
<td>36%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Think about them often</td>
<td>6%</td>
<td>19%</td>
<td>39%</td>
<td>31%</td>
<td></td>
</tr>
<tr>
<td>Feel like a part of the orchestra's family</td>
<td>3%</td>
<td>11%</td>
<td>34%</td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td>Feel like they know who I am</td>
<td>25%</td>
<td>28%</td>
<td>35%</td>
<td>30%</td>
<td></td>
</tr>
</tbody>
</table>

While patrons would miss their orchestra, feelings of closeness are especially weak.
Brand Relationship Factors
-- Respect and Good Customer Service --

Similar scores across clusters means no relationship to patron commitment (I respect you doesn’t mean I love you).

- Is a highly respected organization
- Have never had a problem with them
Brand Relationship Factors
-- Care/Reciprocity --

Perceptions of care and reciprocity highly correlated with patron commitment.

Weak across all but Extreme Patrons

Treats me like a valued patron
Does more for me than I do for them
Is very responsive to my needs
Cares about me as a person
Feel like they know who I am

One-time/Unc. Buyers
Lapsed Subscribers
One-time/Unc. Donors
Newer Subs/Multi-buyers
Loyal Donors
Loyal Subscribers
Extreme Patrons

Perception of Commitment by Patrons:
- Treatment as a valued patron
- Reciprocity
- Responsiveness
- Caring
- Knowing who the patron is
Brand Relationship Factors
-- Closeness/Attachment --

Feelings of closeness highly correlated with commitment.

- Would miss them terribly if went away
- Always recommend them to friends
- Feel strongly connected to
- Think about them often
- Feel like a part of the family

Feelings of closeness highly correlated with commitment.
Brand Relationship Factors
-- Relationship Ease --

One of the strongest correlations with commitment is ease of fitting orchestra into one’s life.

- 25% One-time/Unc. Buyers
- 26% Lapsed Subscribers
- 32% One-time/Unc. Donors
- 44% Newer Subs/Multi-buyers
- 42% Loyal Donors
- 62% Loyal Subscribers
- 76% Extreme Patrons

Fits easily into my life
Brand Relationship Factors
-- Desire to Support --

Stronger brand relationships translate directly to greater desire to support.

Deserves my support
Needs my support
Am very eager to support

One-time/Unc. Buyers
Lapsed Subscribers
One-time/Unc. Donors
Newer Subs/Multi-buyers
Loyal Donors
Loyal Subscribers
Extreme Patrons

13%
18%
23%
23%
40%
40%
53%

34%
41%
48%
53%
60%
59%
67%

56%
53%
60%
65%
78%
Q: Think about you and this orchestra in terms of being in a relationship, as if the orchestra was another person. Please describe the type of relationship you have and explain a bit about why you think that.

**Partnerships**
- Marital/Love
- Insider
- Family Member
- Good/Close Friends

**Acquaintanceships**
- Acquaintances/Causal Friends
- Distant Friends (distance)
- Distant Acquaintances
- Distant Cousin/Aunt/Uncle
- One-Night Stands
- Neighbors
- Business

**Compartmentalized Partnerships**
- Fan/Supporter
- Admirer
- Teacher-Student/Mentor

**Negative/Disjointed**
- Love-Hate Relationship
- Damaged Friendship
- Unequal/One-sided
- No Relationship
- Not Interested

Source: Brand Relationship Typology was developed based on coding 7,787 verbatim responses to the above question.
Partnerships

“It’s like my beloved wife.”

“I’d think of the orchestra as a parent. It is nurturing, soothing, comforting, challenging, educational, wise, welcoming.”

“A cherished friend, warm, constant, clever and talented. No explanation required, she’s just there!”

“Inextricably bound to one another . . . one of my most significant relationships.”

- Deep closeness, long-term commitment
- Intimacy, warmth, deep affection
- Rewarding and mutual
Compartmentalized Partnerships

“This orchestra is Cincinnati’s pride and joy. It’s wonderful to know that it’s one of the best in the nation.”

“Admire and respect from a distance with limited personal interaction. Similar to an elected official that I respect and have heard speak.”

“Excellent teacher and willing student.”

• Pride, support, appreciation
• Awe, admiration, respect
• More one-sided than even playing field
Acquaintanceships

• Comfortable but not close
• Likeable but limited, distant
• Inconvenient, impersonal, transactional

“Like a distant cousin I see very rarely. Have fun when I see them, but don’t feel any need to make a special effort to see them more often. When it happens, it happens.”

“Someone who looks familiar and I might even know their name but we don’t talk.”

“I look to hook up occasionally, not have a steady relationship.”

“Business relationship—that’s it. If you put on concerts I like, I will go.”
Negative/Disjointed Relationships

“Love - hate. For 4 years we asked to change our seats to the aisle of our row and never received a response.”

“Reminiscent of my first wife: beautiful but haughty. Does as she pleases with no regard for my opinion and freely spends my money without asking.”

“A relationship implies reciprocity. The orchestra treats me as though I were an anonymous one among thousands of others. Not flattering, and not very friendly.”

“Dysfunctional; the orchestra is about the orchestra, and nothing beyond that.”

• Disappointment, frustration
• Impersonal, cold, one-sided
• Spoiled, self-absorbed, out-of-touch
Q: Think about you and this orchestra in terms of being in a relationship, as if the orchestra was another person. Please describe the type of relationship you have and explain a bit about why you think that.
Q: Think about you and this orchestra in terms of being in a relationship, as if the orchestra was another person. Please describe the type of relationship you have and explain a bit about why you think that.
Orchestra Brand Relationships
-- By Cluster --

63% of EP donors
32% of EP non-donors

56%

10%

47%

42%

42%

32%

32%

35%

36%

28%

21%

19%

0%

25%

25%

50%

50%

75%

75%

One-time/Unc. Buyers
One-time/Unc. Donors
Lapsed Subscribers
Newer Subs/Multi-Buyers
Loyal Donors
Loyal Subscribers
Extreme Patrons

Partnerships
Acquaintanceships

63% of EP donors
32% of EP non-donors
3. develop more patron-relevant donor strategies
Q: People donate for many reasons. For you is it more about obtaining tangible benefits or supporting the orchestra?

Donations overwhelmingly driven by desire to support rather than an interest in benefits.

Pattern held across clusters and levels of giving.
Primary Reasons for Donating to Orchestra

- Orchestra important community asset: 71%
- Love classical, want to support it: 67%
- Orchestra is great/deserves my support: 65%
- To help ensure their future: 54%
- Enjoy concerts so like to give back: 47%
- To support musicians: 40%
- To support education/outreach for children: 38%
- To show support for programming: 34%
- Feel obligation to donate: 23%
- Financially secure/can afford to: 21%
- Believe they have financial difficulties: 18%
- Received call about donating: 18%
- Benefits worth the donation: 14%
- To support initiatives I care about: 12%
- Fan of music director/conductor: 10%
- Received solicitation letter: 10%
- For tax purposes: 10%
- To obtain specific benefits: 8%

Base: Made donation 2005 or later; aided list.

Donors give because they are strongly committed to classical music, their orchestras, and the future of both.
Orchestra Donation Lifecycle

-- Please describe some pivotal points in your tenure of donating to this orchestra --

Open-ended questions were asked to further explore why and when patrons make their donation decisions.
Orchestra Donation Lifecycle

-- Please describe some pivotal points in your tenure of donating to this orchestra --

**TIME**

- **When/why you first made a donation**
  - “When we had a LOT more money available to contribute.”
  - “When we had more money available to contribute.”
  - “We wanted to support the orchestra”
  - “About 25 years ago we decided that we needed to donate to help the orchestra”
  - “Early 2000’s when we added CSO to our wills for a gift”
  - “The last couple of years because of the economy”

- **A point when you began giving at higher levels**
  - “I made a donation a) because the orchestra is wonderful and b) because I received a pass to a couple of rehearsals.”
  - “15 years ago when we retired”
  - “Haven’t”

- **A point when you decided to make a major gift**
  - “Haven’t”

- **A point when you began cutting back or stopped giving**
  - “I don’t think we’ve ever cut back.”
  - “About 25 years ago we decided that we needed to donate to help the orchestra”
  - “15 years ago when we retired”
  - “Early 2000’s when we added CSO to our wills for a gift”
  - “The last couple of years because of the economy”
  - “Last year, when I had not been to a performance in a while, I stopped giving. But I also give to our own local orchestra”

**GROWTH/DECLINE**

- Extreme Patron
- Loyal Subscriber
- Lapsed Subscriber
Orchestra Donations Lifecycle
-- Please describe pivotal points in your tenure of donating to this orchestra --

When/Why First Donation
- Support orchestra
  - Right thing to do/should contribute
  - Need/realization about costs
  - Sustain the orchestra
- Support classical music
- Support the arts
- Subscribed/upon subscribing
- To return favor/show appreciation
- Could afford to
- Got a call/request

Point of Higher Giving Levels
- When could afford it
  - Increase in salary/real job/more $
  - Fewer expenses/more disposable
- Involvement with orchestra
- Upon subscribing
- For the benefits

Point of Major Gift
- Estate planning/planned giving
- Hall/capital/major program
- Seat purchase/memorial/death of spouse
- Special request

Point of Cutting Back/Stopping
- Loss of income
  - Retirement
  - Job loss/changed job
  - When economy tanked
- College tuition/HH expenses
- Moved/attending less
- Increased ticket prices
- Issues with organization
- Other charitable priorities
- Death of spouse

Personal lifestage and circumstances also drive donation decisions (e.g. increased earnings, kids out of college, retirement, job loss).

Blue = most common responses
## Motivational Appeal of Benefits

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Highly Motivating</th>
<th>Potentially Useful</th>
<th>Nice Gesture</th>
<th>Personally Meaningless</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free tickets to one/more concerts</td>
<td>44%</td>
<td>33%</td>
<td>16%</td>
<td>7%</td>
</tr>
<tr>
<td>Discounted tickets to one/more concerts</td>
<td>31%</td>
<td>43%</td>
<td>18%</td>
<td>8%</td>
</tr>
<tr>
<td>No ticket service fee</td>
<td>31%</td>
<td>37%</td>
<td>22%</td>
<td>10%</td>
</tr>
<tr>
<td>Complimentary tickets to open rehearsals</td>
<td>29%</td>
<td>34%</td>
<td>24%</td>
<td>13%</td>
</tr>
<tr>
<td>Access to preferred seating sections</td>
<td>28%</td>
<td>41%</td>
<td>18%</td>
<td>13%</td>
</tr>
<tr>
<td>Advance ticket purchases</td>
<td>25%</td>
<td>41%</td>
<td>20%</td>
<td>14%</td>
</tr>
<tr>
<td>Complimentary orchestra CD</td>
<td>22%</td>
<td>36%</td>
<td>30%</td>
<td>12%</td>
</tr>
<tr>
<td>Complimentary reserved parking</td>
<td>28%</td>
<td>28%</td>
<td>15%</td>
<td>29%</td>
</tr>
<tr>
<td>Meet &amp; greets with musicians/conductor</td>
<td>17%</td>
<td>28%</td>
<td>33%</td>
<td>22%</td>
</tr>
<tr>
<td>Reserved parking for small fee</td>
<td>12%</td>
<td>29%</td>
<td>23%</td>
<td>36%</td>
</tr>
<tr>
<td>Discounts at local shops/restaurants</td>
<td>6%</td>
<td>29%</td>
<td>35%</td>
<td>30%</td>
</tr>
<tr>
<td>In-hall food/beverage discounts</td>
<td>7%</td>
<td>25%</td>
<td>34%</td>
<td>34%</td>
</tr>
<tr>
<td>Gift shop discounts</td>
<td>6%</td>
<td>26%</td>
<td>37%</td>
<td>31%</td>
</tr>
<tr>
<td>Valet parking</td>
<td>9%</td>
<td>18%</td>
<td>22%</td>
<td>51%</td>
</tr>
<tr>
<td>Access to concierge/VIP ticket representative</td>
<td>7%</td>
<td>19%</td>
<td>30%</td>
<td>44%</td>
</tr>
<tr>
<td>Donor-only receptions/parties</td>
<td>7%</td>
<td>17%</td>
<td>31%</td>
<td>45%</td>
</tr>
<tr>
<td>Donor newsletter</td>
<td>3%</td>
<td>16%</td>
<td>38%</td>
<td>43%</td>
</tr>
<tr>
<td>Access to donor-only lounges</td>
<td>6%</td>
<td>16%</td>
<td>29%</td>
<td>49%</td>
</tr>
<tr>
<td>Access to donor-only dining</td>
<td>4%</td>
<td>14%</td>
<td>28%</td>
<td>54%</td>
</tr>
<tr>
<td>Name listed in program book</td>
<td>7%</td>
<td>32%</td>
<td>59%</td>
<td>59%</td>
</tr>
</tbody>
</table>
4. purposefully plan for revenue replacement
FY05-09 Revenue by Patron Clusters

- Extreme Patrons: 37% % of Households, 4% % of Revenue
- Loyal Subscribers: 35% % of Households, 9% % of Revenue
- Loyal Donors: 4% % of Households, 9% % of Revenue
- One-time/Unc. Donors: 10% % of Households, 3% % of Revenue
- Newer Subs/Multi-Buyers: 7% % of Households, 6% % of Revenue
- Lapsed Subscribers: 4% % of Households, 3% % of Revenue
- One-time/Unc. Buyers: 65% % of Households, 7% % of Revenue

Requires replacement planning

Mean Age: 61, 65
Patron Cluster Pathways: How patrons got to where they are

Heavy Donors $5,000+
Medium Donors $1,250-4,999
Light Donors $375-1,249
Very Low Donors $100-374
Non-Donors <$100

Loyal Donors
One-time/Uncommitted Donors

Extreme Patrons
Loyal Subscribers
Newer Subscribers/Multi-buyers
Lapsed Subscribers

Classical music population (~10%)
Increasing Lifetime Value Requires Maintenance & Migration Strategies

- **Heavy Donors**
  - $5,000+
  - Maintain; plan for migration to Extreme Donor

- **Medium Donors**
  - $1,250-4,999
  - Maintain; migrate up/over

- **Loyal Donors**
  - Migrate up

- **One-time/Uncommitted Donors**
  - Determine tenure; build frequency

- **Loyal Subscribers**
  - Migrate up

- **Newer Subscribers/Multi-buyers**
  - Reestablish frequency

- **Lapsed Subscribers**
  - Migrate up

- **Extreme Patrons**
  - Maintain; migrate up/over

- **Classical music population (~10%)**

- **Non-Donors**
  - <$100
  - Motivate trial

- **One-time/Uncommitted Buyers**

- **Very Low Buyers**
  - <$125

- **Light Buyers**
  - $125-374

- **Medium Buyers**
  - $375-999

- **Heavy Buyers**
  - $1,000-2,499

- **Non-Buyers**
  - <$125

- **Very Low Buyers**
  - $125-374

- **Light Buyers**
  - $375-999

- **Medium Buyers**
  - $1,000-2,499

- **Heavy Buyers**
  - $2,500+

- **Average FY05-09 Ticket$**
- **Average FY05-09 Gift$**

- **Patron Growth Initiative**
Current Orchestra Operating Model
Artistic product at core with organizations structured to support product

- Schools
- Community
- Education
- Development
- Artistic Product
- Marketing
- Customer Relations
- Information Technology
- Public Relations
- Press/Media
- External Communities
- Donors
- Funders
- Corporate Sponsors
- Subscribers
- Single Ticket Buyers
- Schools
- Community
Alternative Orchestra Operating Model
Patrons at core with orchestras structured to build closeness, connections, and partnerships

Greater connections to concerts

Better connections with classical music community

Closer connections to the brand

Note: This chart is for illustrative purposes and focuses on the organizational functions most responsible for revenue.
Patron Growth Initiative - Key Recommendations

**Drive attendance frequency.** Increased frequency leads to longer tenure *and* can accelerate giving at any tenure level. Both frequency and tenure lead to more donations and greater revenue.

**Compel concert-going.** Offer concerts consumers are *compelled* to attend and willing to pay reasonable price for. Insure extreme satisfaction with total concert experiences.

**Focus fanatically on better relationships.** Significantly greater lifetime value comes from patrons who feel in partnership with and highly valued by their orchestra.

**Develop more patron-relevant donor strategies.** Consider strategies that focus heavily on support; treat benefits as tokens of appreciation; rethink the hierarchal give-get model and better align benefits with patron lifestyles, interests and brand connections.

**Put patrons at the core.** Structure the operating model around patrons and use more integrated marketing, development, artistic and other functions to jointly build relationships, increase connections, fit more easily into patrons’ lives, and demonstrate high value.

**Purposefully develop lifetime value strategies.** Develop specific long-term maintenance and migration strategies based on where patrons are on their commitment pathway and where you’ll go together in the future.
League of American Orchestras
2011 National Conference

Churning Butter into Gold: Patron Growth Initiative