

Coming Back Stronger – Using the Shutdown to Rebuild Audience Loyalty

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>> DAVID STYERS: Thank you for joining us today, and Happy New Year! I am David Styers, Director of learning and leadership programs at the League, and we're excited that our first webinar of 2021 is Coming Back Stronger -- Using the Shutdown to Rebuild Audience Loyalty. Before we get started today I want to share a few quick ways you can interact with each other and also with our speakers. On the right side of your screen you should see chat and Q&A functionality tabs. That allows you to say hello to others attending the webinar and make general comments throughout the session, and I'm so pleased to see people already taking advantage of that.

And the Q&A functionality is for the sole purpose of asking our speakers questions that you would like them to address and any questions put in the Q&A section will only be seen by our speakers. Also, should you wish to access closed captioning for today's session, the link is listed directly below the screen in the session description, and we would ask that at the end of the session, you click on the feedback link in the session description below, and fill out a short evaluation form for us.

Finally, this webinar is made possible by generous grants from American express, the Baisley Powell Elebash Fund, Ford Motor Company Fund, the Howard Gilman Foundation, the National Endowment for the Arts, and the Wallace Foundation, as well as in part by public funds from the New York City Department of Cultural Affairs in partnership with the City Council, and we thank all of our funders and sponsors for their support.

Now it's my great pleasure to introduce our presenters for today: Michael Mael and Karen Freeman of the Advisory Board for the Arts.

Michael is a founding partner, and before starting ABA, he held leadership roles in three Washington, D.C., area performing arts organizations, including Executive Director of both the Washington Ballet and the Washington National Opera, and Vice President of the Baltimore Symphony Orchestra, and as a great bit of trivia, Michael was the very first Director of Government Affairs here at the League.

Karen has been Executive Director of Research for ABA for the past two years. Previously, she was the Global Head of Digital and Analytics learning at McKinsey & Company, and prior to McKinsey, Karen spent 13 years as corporate Executive Board in research and learning and development roles, and as a musician, she plays both cello and piano.

So, Michael and Karen, again, we are so thrilled to have you join us today, and I'll turn it over to you to lead us from here.

>> MICHAEL MAEL: Very good. Thank you so much, David. It's a real pleasure to be here, and welcome to everyone, to old friends and colleagues. It's especially nice to see you joining the call. As David said, in fact, this is a bit of a homecoming for me. I was the first Director of Government Affairs back in the days when it was still the American Symphony Orchestra League and when our headquarters were out at Wolf Trap. As he mentioned, I served as Executive Director, Washington National Opera and Washington Ballet, and have been fortunate to do work as well for the Minnesota

Orchestra, Buffalo Philharmonic and Saint Paul Chamber Orchestra, and while I spent more years at the opera, I have to say the orchestra field is still my first home. Karen, any other words of introduction?

>> KAREN FREEMAN: I'm delighted to be here.

I think the introduction said it all, other than the fact that I'm a lapsed cellist and an alumni of Interlochen Summer Camp and Virginia's American Youth Philharmonic, so I'm particularly delighted to be here and talk with all of you today.

>> MICHAEL MAEL: So, for those of you who don't know us, we will be talking today, as David said, about how to build audience loyalty during the shutdown. We have three pieces of our agenda, and we'll go through them and have time for questions at the end.

But for those of you who don't know us, the Advisory Board for the Arts is a relatively new organization serving arts organizations worldwide. We are founded on the belief that there is no one -- no monopoly on good ideas, and we believe that the challenges facing arts organizations are common across all genres and geographies and even outside the arts. But as all of you know, historically arts organizations have not looked beyond their own fences for insight or guidance.

Through our research and by creating a global learning community, we can identify the best practices to those challenges, and bring them to our members, regardless of where those ideas are found. Our initial research focused on developing key digital strategies. Our newest research launching today will focus on understanding donor motivations. However, today we will share some of our research about understanding audience motivations and loyalty.

The Advisory Board for the Arts has the most significant global network of arts organizations, and you will see them here. Our 62 members are in 13 countries, in 5 continents, and represent every genre of the performing arts, from the largest, like Carnegie hall, San Francisco Opera, to smaller groups like Bravo Vail and the Brevard Music Center. Our orchestra members you see at the top include those in Philadelphia, Dallas, Kansas City, Oregon, Jacksonville, and Richmond and outside the U.S., laVerdi in Milan, and the Melbourne Symphony in Australia.

So about us, let's get started by looking at audience loyalty and why it's particularly critical at this time. So we believe that there are two significant risks to our audiences as a result of the pandemic. Our core belief is that the pandemic has accelerated the trends that are too familiar to all of us. In effect, we've seen 20 years of change accelerated into 10 months.

This page shows that attendance on the Y-axis, and time on the X-axis, and in the middle, you see that gray area. We had estimated the closure social distancing period for audiences in the middle, but of course, to date that is only an estimate. But most important are the blue lines. First, on the upper left, you'll see a line sloping down from the left before 2017. This represents the long-term decline in audiences, particularly subscribers.

There are, of course, exceptions to this trend, but it's pretty consistent across all arts genres, and it goes back for decades. So where we're starting today is with a kind of long, slow decline, which has meant that more and more to fill our halls, we have to chase single-ticket buyers. And even if that's not the situation in your orchestra, the risks that you face on the right will still apply.

First risk: Given the length of the closure, we have a risk of a lot of people developing new habits, and simply not returning once our halls open. We have assumed that those are the more casual audiences, or occasional attenders, people more easily pulled away by changing financial circumstances or other new forms of entertainment or access to entertainment at home.

The question is not whether or not there will be a drop when our halls open, but how large it will be.

The second is related to our more loyal audiences: How much have we been able to help them maintain their passion during the shutdown? Will the subscription decline that we've experienced be steeper after the closure? The last downturn in 2009 during the economic crisis was not kind to subscriptions, and the current course and speed, there's no reason to believe that this time will be particularly different. So these two risks are why we are talking about the return of audiences now.

It's important to note, too, that every one of our members, and most of you in the orchestra business, have decided to stay open in one form or another to engage audiences during the pandemic. We all believe that engaging audiences digitally during closure is necessary to have audiences later in our venues, so the way we would phrase the question is this: Given how hard we've had to fight to keep our marketing and programming people on staff, are we using them in absolutely the best way possible to engage our audiences and secure our short-term and long-term organizational health?

If we can improve the value of our efforts now to engage with audiences we most need to connect with, then we will have that huge benefits later, and with that, let's see what we can learn from the data. Karen?

>> KAREN FREEMAN: Great. Well, before we dig into these particular risks, I want to do a quick overview of the data sources we'll be referencing. Here at the Advisory Board for the Arts, we've worked partly through collaborations with other organizations, and of course we've done a lot of our own independent work, and we learn so much from conversations that we have with our members and our broader network, as you can see all across the map to the top.

We began our work on this topic in early 2020, by tackling the question of: What motivates audiences to attend arts performances? And our first data source here on the left is a massive study we conducted before the pandemic of over 100,000 arts audience members. Our members for the Advisory Board for the Arts generally -- generously gave us their audience lists, and we had about 5,000 people fill out our fairly lengthy survey. So we'll only be talking about a small portion of that data here, but we'll have much more available as custom reporting for our members, and I'm sure we'll be back to talk for more.

But then, of course, the pandemic has happened, and so we were so grateful to partner with Slover Linett and LaPlaca Cohen, as you can see in the middle here, on their Culture & Community in the Time of Crisis Survey. I believe they may even have spoken to the League a few months ago about these findings.

And so as we were asking this question of what we can do to encourage audiences to return post-shutdown, we realized then that we had a source of data that would be incredibly helpful for these purposes from our Sister company called the Corporate Executive Board. They're now owned by Gartner, and CEB did a monumental study of

loyalty in consumer brands, so we'll be referencing that one, as well, and then finally on the right, we did our own in-depth interviews of audience members both pre-pandemic and in May of 2020, as we were exploring how audience motivations to consume art varied with online or in-person experiences.

We were using an interviewing technique called Jobs to be Done, which is created by the Harvard Business School Professor Clay Christensen. Happy to talk more about that if people are interested.

So all of these sources together gave us a great picture of audiences before and during the pandemic to help us understand that question that Michael teed up for us a moment ago: How do we come back stronger from this pandemic?

So now, let's dive in --

>> MICHAEL MAEL: Karen, briefly, I'd just let people know, we will make the deck available, so no need to write down all this information furiously. We will be happy to send it out.

>> KAREN FREEMAN: It's too much. Yes, for sure, we will be sharing all of this. Great. Let's dive into that question of why we are talking about loyalty, and whose loyalty we would be most worried about.

At the highest level, one big difference between the economic downturn of 2009 that Michael mentioned and this pandemic now is in the past, we rarely needed to completely shut down. Now we're going anywhere from 9 months to 18 months without large-scale audiences, what might that do?

Here we show a few examples of how have the disruptions impacted visitor recovery in other industries? And you can see a wide range, anywhere from 2 years for the French terror attacks of 2015, to 12 for Major League Baseball strikes, or New Orleans after Katrina, but either way, we're measuring it in years.

On the right, we have a few questions that psychologists ask when they're looking at habit-forming and habit disruption, which is really what we're talking about, and you can keep these in mind as you're thinking about your own audience return.

If the habit was strong, and particularly it was triggered by context, like, my morning coffee before I sit at my desk, well, then, you're more likely to return to it even after a disruption, but on the other hand, if it's new behavior, it's more frequent or more rigid, then that's more likely to replace the old one. We can imagine people who might have gone to the Symphony a few times a month, now maybe they're having outdoor dinners with a small group of friends and that's turning into more of a stronger ritual or a habit.

And certainly with the explosion of digital entertainment, we know that there are many substitutes for the casual consumer of the arts. Now, you may be in the fortunate position of having a lot of your audience members telling you how excited they are to return to live performances, but unfortunately, it turns out we really can't trust our audiences when they tell us they'll be there.

This data comes from the culture track surveys done by LaPlaca Cohen. As you may know, they've been running the same survey every few years, and back in 2009, they asked audiences whether the economy would affect their ability to return after the financial crisis. And you can see the percentages on the left side of the charts, the left hand ones for the performing arts, the right ones for the visual arts, but they are remarkably consistent.

In 2009, most people expected to return, and LaPlaca Cohen went back and looked

at actual levels of return in 2011, and the results are striking. Even though 90% or more of respondents said that they would be able to attend the same or more, in practice, it was less than 50% who actually followed through on that intent. So we just can't really trust them to come back, even if they have the best of intentions, and particularly if they are not that attached to us to begin with.

So if you put all of that together, we see that we have a real concern with our more casual audiences, what we like to call our not-yet-loyals, and so earlier, Michael raised that question: Where should we invest our limited audience engagement resources, given that we have incredibly tight budgets and a monumental challenge once we are returning to scale. The answer starts to become pretty clear: We need to focus on these not-yet-loyals.

>> MICHAEL MAEL: So here we show a representation of our audience levels of loyalty. The closer to the center, the more attached the individual is to your organization. I think all of you know this intuitively, but I think it helps to actually look at it in this picture. The people in the center, the dark teal, well, they love us and we love them. They are the most likely to come back when all this is over, and they are the most likely to be consuming our digital content today. These are the true believers. They are board members. They are our most loyal audience members. And by the way, our experience suggests that most of you on this webinar today fit into this group, as well as most of your colleagues from other genres.

But the outer rings, they are less likely to return on their own, more likely to have their attendance habits permanently disrupted, and more -- less likely to consume our digital offerings in the meantime. As an analogy, think about where money is spent in politics, as you think about where to spend your money today. In politics, we have a pretty good idea of how different states will vote, as seen in the most recent election, and as a result, little money is spent where the outcome is pretty well known.

For example, if you live in California, you probably haven't seen a television ad for presidential campaigns in years, because California is so reliably Democratic. Campaigns spend money in places where the election is close, and people are on the fence. We should suggest that our super-loyals, the ones in the middle, are like our die-hard political partisans: They are most likely to come back to us with the least amount of work from us, and we'll talk in a little bit about how big that group is, but it's the next ring out of audiences, the light blue, who aren't subscribing, who aren't consistently donating, who are most at risk. Let me make that point a little bit more precisely by adding a time dimension as we talk about these not-yet-loyals.

This chart looks at time on the bottom axis, and venue capacity on the vertical axis. The colors, by the way, are the same as the previous page, with dark teal representing our loyals, and light blue for the not-yet-loyals. The dotted line running across the graph shows what our members told us is their average capacity for socially distanced venues, about 31%, and the teal represents our most loyal audiences.

The punchline of this page is that until we can come back at what we would have called a normal time, in a non-socially distanced way, our loyals are going to more than make up all of the in-person capacity we have to offer in our concerts. So when we no longer have to socially distance our venues at 6 months, 9 months, 12 months, that of course is the question we all wish we knew the answer to, but that's in addition to the 9 months so far, that answer will determine the point at which the audience curve you see

on the page will start to ramp up dramatically in terms of making available -- capacity available for audiences, and it is only at that point that the start -- we need to make sure that we have engaged our not-yet-loyals audiences in person. We put a big question on the light blue box, because that is the biggest question we face. Another 6 or 9 months away from us, might that group of not-yet-loyals find other things to do? And if so, when they are able to return, the risk is they will not.

>> KAREN FREEMAN: So now we know that we urgently need to secure the loyalty of that outer ring of audiences, and at a time when we don't have access to our primary method of connecting with audiences, which is the in-person experience, what do we do to engage these casual audiences now to secure their loyalty? We can get a great sense of that answer from data about brand loyalty, the data I mentioned earlier from our sister company, Corporate Executive Board.

So if you remember only one thing from our time today, it should be what you see here on this page, because it contains the essential kernel of what arts organizations should be doing right now. As I mentioned, our sister company Corporate Executive Board now known as Gartner, they did a monumental study of loyalty in consumer brands, and it was in the midst of the 2009 recession, and it turns out that brands have a lot of lessons for arts organizations. At the highest level, the survey tested all of the things that consumers did or didn't care about, and used that to determine quantitatively what factors drive loyalty and in this case loyalty was defined by a combination of factors, things like intent to repurchase, willingness to recommend, willingness to pay a price premium, satisfaction, and self-identified loyalty, and we analyzed the data to see what actually had the power to drive higher loyalty, and the box in the middle of the page says it well: The biggest driver of loyalty for consumer brands is emotional differentiation. That's that big blue bar.

So that's in contrast to the smaller bars that you see to the right, functional differentiation, or functional concentration. Let me take a moment to explain what we mean by these things like functional and emotional differentiation. Let's use an example of an iPhone. An iPhone's functional differentiation is going to be its better camera or better apps, that kind of thing. Functional concentration is when a company has the ability to focus resources on perfecting just one or two things that are really important, an differentiating for a particular segment of customers that you care about.

So if you nail it on a couple things that really matter, then customers forgive you for a lot of other things. So if we go back to our iPhone example, compared to other phones, iPhones are really good at ease of use. They just naturally connect with other things you want them to connect with. My parents can figure it out, right? So what is then the emotional part for iPhones? I'd say the biggest is that it feels cool, right? You may remember when Steve Jobs was battling it out with Bill Gates over the dominant operating system back in the 1990s, what he said at the time was: The problem with Microsoft is they have no taste. That was a big deal to Steve Jobs, and you certainly see it today. iPhones have style, and that's a big part of their emotional appeal.

Consumer brands have quantitatively proved the importance of emotional connection, and they have spent years figuring out how to build it fast. I mean, when is the last time you learned something about the features of a shoe from a Nike ad? And I should point out none of this means that functional traits don't matter. You can see on this chart that they are significant and they are meaningful. Nike has to have shoes

that fit and they have to perform well, but emotional connection offers more horsepower to drive loyalty.

And if you think about it, this passes the gut-check test. We know people make purchases based on emotional factors, and then justify them based on rational considerations. And it turns out it's particularly important for precisely those groups we were just talking about trying to keep more loyal: The casual consumer.

Here's that same chart just perspective viewed a little bit differently. You see the same three categories that we just talked about a page ago: Emotional differentiation, functional differentiation, and functional concentration. The bars in the graph refer to the importance of these three factors at two different times in the loyalty-building process, so on the left in light blue, these are about the importance of those factors at the early stages, when we're getting from low loyalty to moderate loyalty. These are the consumer equivalents of our not-yet-loyals.

And then in the more advanced stages on the right, those are where people are moving from moderate to high loyalty, and the first thing you'll notice is that 19% bar circle on the left, emotional differentiation is particularly powerful, it's more powerful than anything else as an early push to get consumers from low to mod recall loyalty. It's almost three times the power of functional differentiation.

Then on the right, you see that for loyal customers, functional concentration suddenly leaps in importance. It goes from a net detractor to tied for most powerful. And this makes sense, right? Like, early customers are often less able to figure out the difference between functional attributes of brands, or maybe they haven't consumed enough to really appreciate these differences, but once someone gets to know an organization or a brand, they appreciate those functional attributes, and particularly the stand-out performance on one or two functional attributes that might be a little bit subtle for newer consumers to appreciate.

I think we all know someone like this, right? My husband, he is an expert in the light color of LED bulbs. I don't know why, but he has become really sensitive to whether a light bulb is more white or more yellow, and he can tell you the specific color temperature, and there are several bulbs in our house that are apparently incorrect, but that is someone who has a real subtle appreciation for functional differentiation.

So on the one hand, this insight about emotional connection is good news for us in the arts. It's something we're really equipped to do. We are all unbelievably skilled emotional storytellers, but on the other hand, we're at a really tough moment for connecting emotionally with our audiences. Our primary way to create emotional connection has always been the in-person experience, and no one quite believes that our digital work has been able to conjure that same emotional response. There's a few exceptions, of course.

But remember, consumer brands almost never have that in-person experience, and the best of them somehow manage to pull off emotional connection in spectacular fashion. It's true, they've got physical things there in person whether it's the shoe or the candy bar, but they always have the challenge we do, which is establishing emotional connection across distance.

Now, one other thing you might be thinking is: Isn't our performance emotional enough? And the answer is yes, our performance bonds some of your audiences to you, for sure, but the number of people for whom that's true, it just isn't quite enough to

sustain you, and for the rest, they may not be attracted enough to the performance description to really understand its emotional value.

>> MICHAEL MAEL: And here's where we get to the punchline.

And in fact, somebody asked in the chat about the difference between loyal and not-yet-loyals, and this begins to get to that answer. The data you see here comes from that same survey of audience motivation we conducted earlier this year. As part of the analysis, we conducted factor and cluster analysis to group audiences into 8 motivational segments, and this is really the core of what we were looking to understand: What motivates someone to buy a ticket to a concert? We know a lot about demographics, but the fact that they may be Caucasian, 62 years old, is not why they buy a ticket. We set out to understand the motivations.

We know -- so if we understand their motivation, we can do a better job not only of marketing, but of creating audience experiences that these members will respond to. But for immediate purposes, what's important is that the audience is split into two major groups when it comes to their need for emotional messaging and emotional differentiation. For a third of our audiences, these are two of our 8 segments, for a third of our audiences, which are those on the right, they are attracted primarily by what's on stage or in the exhibit halls. The functional attributes are meaningful and emotional to them. They are passionate about the arts, appreciate the differences that others might not recognize. In other words, they love us for us, for our incredible performances and the deep love of the art form. These are the loyals that we talked about earlier. These are the people that I would have called true believers.

When I was running the opera, I had two board members, two board former chairs, who used to argue with me all the time about why we had to go out of our way to bring new audience and my answer to them was always the same: John, Ken, you are true believers and the fact is there just aren't enough of you to fill our halls anymore. And again you can see a third of the audiences that buy our tickets today fall into this group of true arts lovers.

But the remaining 66% are there for a different set of reasons, and you can see these 6 different segments and what motivates them below. For many of them, particularly on the far left, what brings them to the hall is actually very far from what's on stage. These are more likely to be casual consumers of the arts that we talked about the not-yet-loyals audiences, and they are essential to our long-term success and recovery. Think back to that graph that without these audiences, we do not have full halls.

We can't give up on any of these 66% segments, and when we look into the loyalty characteristics of these segments, they are all worthy of engagement, and they are also more likely to be persuaded by emotional differentiation as opposed to functional differentiation. Therefore, we need to use the same levers so successfully used by brands to drive loyalty, appealing to shared values. So in other words, for the remaining 66%, we want them to love us for what we help them to be.

And so now let's talk about how to emotionally connect with those for whom the art form is not an emotional connection or love. This page lays out the emotional connection in terms of levels of intensity. As you ratchet up the intensity, you resonate more deeply with target customers and the loyalty grows. On the far left of this page, you see the lowest level of emotional connection: Functional benefits expressed

enthusiastically. Here we show an example from the Utah Symphony. They, like most of us, spend a lot of their time marketing, communicating the great features of the performance to those audience members who would appreciate it. It doesn't have a lot of emotional connection, particularly to those who don't have the background to appreciate the piece, the soloist or the performance with just this kind of information.

The section in the middle begins to get to emotional benefits, translating features into emotional benefits, and here's a preview of where the Utah Symphony went with their marketing, talking about the emotional benefit of attending a performance. In this case, it provides an opportunity to escape, and will show other emotional benefits they highlight in a moment as we talk about a case from the Utah Symphony. The third level is a connection to higher order benefits. We all know brands that manage to stand for something that's bigger than the category that they're in. Ben & Jerry's is about saving the planet. Volvo is about protecting your family. They are authentic evangelists for an ideal, and the products can feel like incidental manifestations of that ideal. As Karen said earlier, when was the last time you saw a Nike commercial that actually talked about shoes?

So if you can connect with your customers at that level then you're going to get higher loyalty. So earlier we said we're going to talk about how to drive higher loyalty out with that next ring out of not-yet-loyals. Here's how you're going to do that: By making it clear that the values that you share with your -- making it clear the values that you share with your target audience in emotional terms.

>> KAREN FREEMAN: Hopefully that's made a little bit clearer the idea of emotional connection, and those layers of emotional connection and fundamentally the idea that we need to attract our casual audiences to us using shared values is becoming clear. Happy to answer additional questions. I've been answering a bunch of them in the chat, but I'm happy to do so at any moment. But if we get this concept of shared values, of finding that idea, this belief, that we have and our audiences have and appealing to that, let's dig into that just a little bit further so we can make it a bit more tangible. What does it mean to take action on that?

So a shared value is a belief that both our organization and our customers or our audiences have about a higher purpose, a passion, or a philosophy that has meaning in our lives beyond the orchestra, or even the arts in general. It's more important than what we're calling here the product category itself. And here are the five characteristics of a shared value. It starts making things a little bit clearer.

Below the definition, I'll talk through a few examples to bring it to life, plus I'll reference this Nike as an example along the way. Michael teed them up previously and I talked a little bit earlier about the fact that they never discuss their shoes, so it seems like a good place to have an example.

So let's talk about the first one here, it's emotional, right? This is about emotional differentiation and in particular what that means is it resolves an emotional tension that a consumer or an audience member might be feeling. Maybe people can't live their lives the way they want and you can help them do it. Think about what Nike does. Not only do you not care about their shoes, you might actually cry watching an ad of theirs. They highlight the pursuit of excellence, and the things that get in the way of that, and the honor of that struggle.

The second as I just mentioned earlier is higher order, it's above the category. It's

not about shoes. It's about self-improvement.

Third, it's relevant. There are very likely clear points of intersection with the current political or social environment or other aspects of mass culture, and Nike has definitely tapped into the conversation around equity. They became really well known when they featured Colin Kaepernick, the football player, in one of their ads after he had been no longer able to play in the NFL.

Okay, fourth here, it is credible for you to be talking about it. Authenticity matters a lot when you're talking about your values. You can't just be riding the coattails of a movement without a genuine commitment to it. Nike has certainly shown their commitment to developing athletes, teams, and professionals, and it's not just through the equipment they offer, but through their community engagement programs and partnerships, and much, much more.

And the last and sometimes the hardest one to achieve is that they're differentiated. Can your brand be shorthand for a value in the way that Patagonia is for environmental sustainability? Or for the pursuit of excellence like Nike? Now, let's look at a few examples here on the bottom. One is another brand, and the rest from the arts. Helps bring it to life a little more. So the first example we have here is Dove, the soap and beauty brand. They believe in natural beauty. So you see here, Dove exists to celebrate every woman's unique beauty, and some of what they do to build out that reputation is, you may have seen they have an ad called Dove's Real Beauty, where they have women confront how they describe themselves as less beautiful than others describe them, and they do a lot of partnerships on programs like self-esteem.

Moving on to some of the arts example, Ballet Austin is -- they have everything on their website right now around the example of "be well," and you can see here, the shared values statement you would infer from this. Ballet Austin exists to encourage lifelong health and wellbeing. It's above the level of a category of a ballet. They're helping people with health and wellbeing, which includes dance and fitness, but it's much, much more. The Barnes Museum, many of you may be familiar with them. The Barnes exists to give people from all walks of life access to the transformational improvement possible through appreciation of the arts. The Barnes has been known throughout -- for a long time for their ability and access that they have given to those who would not normally have access to the arts and the transformational improvement possible through the arts.

Orchestra of the Americas, many here would be familiar with them, catalyzing social transformations in diverse underprivileged communities and Woolly Mammoth, which is a DC-based theater organization. They are all about radical inclusion, and when you look at their website, you understand it. They have covered their website and of course throughout all their programming and partnerships and community engagement efforts they talk extensively about radical inclusion.

So what does it mean to try to develop a shared values statement? What do you get from it? Let's talk a little bit about it, because you might look at Woolly Mammoth, Orchestra of the Americas, or many of these others and say: Well, I'm not there yet. I'd love to be able to have a statement about my organization and what it stands for, but I'm not going to be able to get that tomorrow.

And the good news is, you don't have to have all of it to get some of the benefits. This page shows the steps you go on and the journey in adopting emotional marketing

to taking on shared values as a whole organization-led movement. Initially you can just start with using emotional marketing as a tactic, communicating what you already do in your education and community engagement to your audiences, for example, organizing your digital under emotional themes, like Ballet Austin did if you want to look for an example.

Then as you get an organization-wide understanding of your shared values, you can really commit to a single umbrella shared-value message in your marketing. And as that gets cemented, you're able to align your organization around your shared value, from marketing to development, to community engagement, to programming. And the good news is as I mentioned earlier, you don't need to be all the way to the right to get the benefit of a shared-values mindset. Certainly the more you commit to it, the more you reap the rewards but even just starting by incorporating those emotional benefits into your marketing messages is a great start.

Now, before you can incorporate values into your marketing you need to know what values to incorporate, and this starts with understanding what your organization stands for, what lies behind your mission, vision, and values as the purpose that drives you, but it also involves your audience. What might attract them to you uniquely as an organization? That's a hard thing to ask audiences. It takes a special technique to get there. Luckily we have a great example of a Symphony who has done this, the Utah Symphony.

>> MICHAEL MAEL: So as you remember earlier, I mentioned the Utah Symphony and some of the work they'd done with emotional advertising and we even showed a few samples of that, so let's take a deeper look at how they changed their marketing to focus not on functional attributes, but rather on emotional attributes and in fact there was a question in the chat that asked specifically about this, and Karen answered.

So what you see here is what the Utah Symphony advertising used to look like pre-2018. This is a classic functional advertisement. It talks about the piece. It shows a picture of the conductor, the orchestra, and a click-through to buy a ticket. When I was working in the Kennedy center and working in Washington I always used to use an example of the many ads that would April near the Washington Post that were classic functional. They would say what's the program? What time is it? And they would always have a call-out from a paper like the Vancouver sun. It always baffled me as to why anyone in Washington, D.C., would particularly care what the people in Vancouver, Canada, thought, but somehow it seemed to be important to have a reference point, whether it was relevant or not.

But this is fairly typical of what you could see for not just orchestras but opera companies, dance companies and theaters. When I was at the opera company, we used to specialize in what I called ads featuring small pictures of people that no one had ever heard of before. Now, perhaps that spoke to the true connoisseurs, but it didn't speak to the majority of the audience so what happened with the Utah Symphony? Pre-2018, the organization focused their marketing/communications primarily on program based marketing, functional marketing and the problem was they found that the attendees rarely said that programmatic advertising was how they heard about a concert. The key challenge they realized was that their marcom was not particularly memorable and they came to the same conclusion that we did, that there's a huge

missing opportunity to connect emotionally rather than programmatically with their audiences in their communication, so as Karen asked, how do you understand what audiences care about emotionally? You can't really ask them, because it's hard for them to articulate it, and very hard to express.

So Jonathan Miles, the VP of Marketing at the Utah Symphony and Opera, found a very clever way to bring some of those deeper emotions and values to the surface using pictures. To do this, Jon reached out to a regular set of attendees. He asked each of them to bring in 10 images that represent the Symphony to them, and they could be anything they wanted but there was a catch: None of the pictures could include the Symphony Hall, Abravanel Hall, members of the orchestra or instruments. This helped to get to feelings about the Symphony, not facts about the hall of performances and you can see a couple of sample images on the left. In these interviews that they did they used a technique called the Zaltman Metaphor Elicitation Technique, or ZMET.

They started with the photos and asked interviewees to describe the picture and connect it back to their thoughts and their feelings about the orchestra. For one example, a participant brought in a picture of an Adirondack chair. You can see it in the upper left-hand corner there. And after a set of probing questions, said simply: This is my chair at the Symphony. It's an oasis for me. I feel the same sense of calm in the Symphony as I do when I'm at the lake.

And you can see on the right the types of probing questions that they used to get to this information. What's particularly interesting is how the Utah Symphony took all the feedback that they got from these interviews from 10 or so patrons and organized it in exactly the way we were talking about a few pages ago. So the next page looks like somebody threw spaghetti at the wall and some of it stuck. It's a little bit overwhelming but it is worth taking a look at.

This is the map of the values that the Utah Symphony made. At the bottom, the very bottom, are the features, then product benefits moving up, then personal benefits and finally, values. And here we've highlighted one example just to make it clear how it works.

In the conversation, patrons naturally talked about the musicians: The conductor, the talent of the players, and the scale of the performance. But the reason why they love it is because it was an extraordinary experience, and for a few other reasons, too, if you were able to follow those other lines. If you dig deeper, interviewees believed that the extraordinary experience, quote, makes me a better person, unquote.

And if you follow the line up one more, you can see one reason the performance makes me feel like a better person is because it gives me inner harmony. That's one of the personal values that you see in the upper left-hand corner, one of the personal values underlying a branch of product features. There are other personal values. If you follow that across the row, in addition to inner harm, interviewees felt accomplishment, appreciation of a beautiful world, pleasure, and belonging. Making this map allows for a really deep understanding of what your audiences value, and how they express it. It's a level of precision that most arts organizations or even brands rarely dig into, but it's invaluable. It gives you a clarity of audience values, and how you might express your purpose to address those values.

Not only that, but I suspect your orchestra's map might look fairly similar to this. After all, the experience is fairly comparable. So perhaps the Utah Symphony has

made it a little easier for you to do this by giving you a starting point. The fact is, the process isn't that difficult. It takes time, it takes focus, and what you can glean from these interviews with the members of your audience will be absolutely compelling information to help you make the emotional connections you need to connect with those not-yet-loyal audiences.

So let's wrap up with the Utah Symphony and see how they used these insights. Their interviews uncovered three values that they decided to amplify, and then they worked with an advertising agency to build a campaign around those values. And you can see how these campaigns are different from the typical performance or functional based advertising that we see most often. They clearly translate the idea of what they stand for to people in terms of values that are relevant to those audiences. In fact, you saw the one on the far right, Inner Harmony, Currently Escaping To, in one of the earlier slides.

But the best news of all is that it worked. Values-based marketing brought a 7% increase in ticket sales of the Masterworks series, 16% increase in revenue, and to me at least, most importantly, an 18% increase in re-activated ticket buyers. Jon Miles, the head of Marketing, said the impact of the values research has also extended well beyond audience communications. Now they talk about audience values even when they're making decisions that impact patron experience, and if you think back to where we started this discussion, the whole concept of our research was to understand audience motivations, not just so we could speak to them, but that we could create customer experiences, audience experiences, that resonated with those motivations.

Now I'll hand it back to Karen to provide some additional research specific to the orchestra world.

>> KAREN FREEMAN: Great. So in this last section, we'll take a deeper dive into our data set, that extensive survey I mentioned at the beginning. We ran it in early 2020 and we asked a lot of questions around audience motivations to attend performances, as well as questions around their experience, their background, their subscription and donation history, and a whole lot more.

We have some cuts of that data that are orchestra-specific. Well, to be precise, they're from orchestra, symphony and chamber music so I'll call it orchestra for short. Sorry for the imprecision from this point forward.

In the next few pages I'll be mixing, occasionally I'll be talking about our general results and sometimes I'll be talking about our orchestra-specific ones, so please just take a look in the top right-hand corner of each page, where I'll note which kind of data we're talking about. And I'll try to say it, as well. All of this data that I'll be talking about in a moment is in service to the insight that we've been talking about so far, right? The importance of emotional differentiation, and most importantly, shared values to improve the loyalty of our not-yet-loyals.

So let me start with a quick overview of the sample we had. Data geeks like me will love digging into this part. So first of all we have participation survey overall. Here we had orchestra, symphony, and chamber music is about 1,139. It's not here on the page, but you'll see it on a following page. And the first thing you'll notice if you look at this distribution is it looks just like our current arts audiences: Older, typically white, more likely female, and even though this crosses arts genres, that's just a truth about the current audience makeup for the arts.

So there's one important caveat as we're talking about this: We are not making conclusions with this data about what, say, what programming will attract new audiences. The data we have will tell us a lot about our current audiences and why they are loyal or not loyal, but we only surveyed our existing audiences. So let's talk about audiences and specifically audience loyalty in the arts.

We looked into loyalty in this data set, as well, in a few different ways. There were a few questions earlier about how we define loyalty. We looked at subscriptions, but it tended to tell us a lot about past experience. The one loyalty metric that gave us the most reliable results about that moment of audience experience with the performance was your likelihood to recommend that experience to others so we're going to use that as our metric on the next page and the good news is the findings there were really consistent with what we learned about brands.

So you can see we made a similar sort of waterfall chart. I think that's consultant speak for what this chart is. It's a similar chart to what we talked about earlier, and the punchline is there in the title: Emotional attributes drive loyalty in the arts. Let's explain a few of these elements so you know what we're talking about. And since this is a regression analysis, it's appropriate for orchestra, it's appropriate for all of our participants in the survey so this is overall results, not our orchestra specific. We didn't have enough examples to do this at the orchestra level.

So the first bar here that you see is the most important thing you can do to improve loyalty through the performance experience. As we've talked about earlier, we asked our survey-takers to tell us their motivation to attend. They picked from a list of 26 different potential motivations. It was everything from see art performed at the highest level to have an entertaining escape or be a part of something culturally significant. It's a long list. And then we asked them for their top motivation, the extent to which that had been met, and it turns out this is the most important lever to influence loyalty.

And you can see why fundamentally this is an emotional thing. These motivations, they're typically expressed at a level above the specific performance that the person came to see, and they had a lot of emotion connected to them. They were things like: Be a supportive friend. Create a shared memory, or fulfill a sense of duty to the arts. They all have an emotion.

So if you add to that first bar about emotion, a second bar here, it also turned out to be significant, and that is feeling welcome. It's not as large as the first bar. Still significant, and still really about your emotional connection to the experience.

Let's contrast that with some of the later bars. The next one's really interesting. This was their objective rating of different performance elements, the functional aspects of the performance. They rated the performers, the composition or play, the staging, the service of the staff, the value for money. We've combined all of them here.

And admittedly, we thought this bar would be a lot higher, and the real reason it isn't became pretty clear when we looked at the distribution of the data. Almost everyone gives the performers and the composition a 5 out of 5. I think this is where we're seeing the same thing that we saw a couple slides back in that brand loyalty survey. Most consumers aren't able to distinguish functional quality, other than the really big things, until they are already loyal.

So this next orange one is interesting. We asked people if they hit obstacles in the performance. Those obstacles were things in control of the venue like parking or

performer substitutions or high cost or poor amenities or inconvenient travel but also included some things that were more individual like finding companions or limited time. And it turns out even when we added the impact of all of these together they really had a limited negative impact on likelihood to recommend. A lot of people said they had problems but it just didn't seem to have a huge impact on their loyalty. That's one that we'd love to be unpacking a little bit more as we go into additional research.

But overall you can see that the more emotional attributes are larger than the functional ones, in the arts as well as in consumer brands. So if you've been wondering all along ever since we talked about the brand findings, does this concept of shared values and emotional differentiation apply in the arts, do you have proof? The answer is definitively yes.

And just to show you a little bit more about the opportunity in these first two bars in meeting audience motivations and welcoming them, here's some audience -- orchestra specific distribution of those questions from our audiences. So if you look at this distribution, you can see why there's opportunity in moving to the right on each of these questions.

On the left here is the motivation reality versus expectation. As I mentioned on the prior page, they picked from a list of 26 motivations. They could pick up to 5 but then they had to choose their top one and for that top one, they had to say to what extent that motivation compared to their expectations.

And this chart which is orchestra specific it shows how much opportunity there is in exceeding expectations around a motivation. There aren't that many people who said it was below expectations but there was a really wide distribution of those who said it was at the level of my expectation or above. Moving people from the middle to the right of this chart can have huge loyalty dividends.

And then on the right, you can see how people answered about whether they felt welcome at the performance. This is again for orchestra respondents specifically. We had 40% say something other than strongly agree. And given that these are our existing audiences, this was a surprise.

So with these two pages we looked a little more closely at our regression analysis, but as Michael talked about earlier, there was another kind of analysis we did, that cluster analysis of motivations to attend and that got us to 8 different segments of audience motivations. We showed earlier that those two segments make up a third of audience. That's the arts passionates and the quality seekers. Another way you can think of them as aficionados and connoisseurs but those are only 1/3. The other 2/3 are looking for something else.

Well, now we can look a little closer at segment distribution by the type of genre that they attend. Here we show how those segments vary by genre. Take a look at the box in the middle for orchestra results, and I'd look specifically at that gray line along the bottom. What you see here is that the distribution is a little bit different. 43% of orchestra attendees are arts lovers, these are though aficionados or connoisseurs but 57% fall into those other categories. By the way the largest group there is our civic stewards, people looking to fulfill a duty to the arts and valuing a community, and our mastery builders, those who are looking to learn something.

Again, the overall conclusion is fundamentally the same: The majority of our arts attendees are not in that arts-lovers group. We need to translate the art into something

emotional for them so they feel compelled to return. So what values might we appeal to? Utah Symphony showed us some great techniques to learn what our audiences love us for, but in our survey we did ask our audience members to pick from a long list of values they stand for, and you can see some of the ones that came to the top for orchestra.

To be honest, we didn't see a big difference here for different genres. I mean generally we found that patrons for the arts value the things that you see here on the page. These are the things that came to the top for orchestra and they're things like family, wellbeing, enthusiasm, continuous learning, and we saw some of those echoed in that spider chart that Utah Symphony had before.

I think maybe a little bit more interesting although it's not here on the page is that different segments have different values more often so for example, our quality-seekers, these connoisseurs, they tend to value excellence and balance, and our arts passionates, they're our aficionado, they value compassion, enthusiasm and creativity. The nice thing is these can be a jumping-off point for shared values because it can be a reliable way to appeal to the values of a targeted group, anyone you want to try to get our civic stewards by understanding specifically which values are useful to them.

All right, so we want to make sure we leave time for questions, so let me hand it back over to Michael, just to wrap us up here.

>> MICHAEL MAEL: Well, thank you, Karen, and thanks to all of you for being with us, for engaging, for your questions, and we'll, as Karen said, have time for more in a moment. As I said at the outset, we are a membership-based research organization.

If you are interested in learning more about what that means, please contact me or Karen. My email is Michael.Mael@advisoryarts.com. Thank you, Karen's you see right there, as well. Or we invite you to go to our website. We have a lot of research that is available. We do webinars every couple of weeks. All of those previous webinars are available to watch online.

And our research, our findings, we do benchmarking surveys every couple of weeks, and you'll find all that information there. But to take away what we talked about today, and I hope you all found it incredibly useful, our ability to recover and -- quickly and sustainably from the pandemic depends on our ability to bring back the not-yet-loyal audiences to our venues when it's safe. We expect the loyal audiences to return. They're with us. They have been, and they will come back. But its ability to bring the not-yet-loyals back that will make our break our success after the pandemic.

There's a clear lesson from consumer brands about how to increase the loyalty of casual buyers, and in fact, Karen, as Karen showed you earlier, it is also verified in our research, and that is through emotional differentiation. The most intense form of emotional differentiation and therefore the most successful at building this kind of loyalty is connection around shared values that both we and our audiences believe to be part of who we are. Anything we can do right now to connect emotionally and communicate the impact of our community engagement efforts, for example, to audiences represents an advance over the current programming dominant approach that we have typically taken.

That said, the biggest benefits come when our work transcends marketing, and we become known in our market as a champion for a higher-order shared value, whom audiences can rely on to help them make progress in their lives, to address issues that

they have.

And finally, now is a particularly opportune time to begin, not only because of the urgency of our need, but because of the void left by lack of in-person programming, and the range of emotional needs that exist for our audiences in quarantine.

So that's our presentation. We hope you found our ideas and our research useful as you address the challenges that you face in your communities, and we're happy to answer any questions you might have.

>> KAREN FREEMAN: All right, I will stop sharing. A couple of questions are coming through. I'll stop sharing just so you can see our faces a little bit better. I actually thought I'd go back to a question I answered in the chat, mostly because I love this question so much. And I'll answer it Michael just because I answered it in the chat and then we can move on to a question for you as well. Someone brought up a thesis I'm actually not familiar with but I love the idea, Mark Schaefer's thesis in marketing rebellion, that we need to focus on building our tribes, on focusing on the loyals and attracting people to our tribe, and they say that the example with Dove stands in contrast to this, and he talks about a loyalty -- as a suggestion, a loyalty to handmade soap. And so I love this question, in part because I think we're not disagreeing. We're agreeing quite a bit with this concept of building a tribe.

I would only argue that that tribe's fundamentally built on something emotional, not something functional. We saw that we can attract people to us through values, and brands that really attract people to them aren't necessarily about that functional concentration as often as they are about that emotional differentiation so I think that absolutely, let's build our tribes, but those tribes are based on people attracted to us for the values that we share with them, and then it's part of their identity to be affiliated with us, and that's the best kind of loyalty you can ask for.

So if there's additional context to that that I hadn't fully understood please just toss another question into the Q&A and we can dig into that further. Let's see, a few more questions have come into the...

>> MICHAEL MAEL: We have a question in the chat box from my old colleague Jack Fishman, who now runs a chorus, and he said the chorus graph has a different larger slice of the pie and only because if you look at the chorus, it shouldn't be a surprise, 40% of people define themselves as amiable followers, I believe.

>> KAREN FREEMAN: Willing companions, yeah.

>> MICHAEL MAEL: Willing companions, and I think we all know that the question we always ask for our large choruses when they do their own concerts, are most people there because they are friends with people in the chorus? And this survey would seem to suggest that is probably the case.

>> KAREN FREEMAN: Yeah, I mean, our N size is the smallest on the chorus, so sometimes those numbers might fluctuate a little bit, but it's a really interesting conclusion that could come from it, how many people are there because of someone else, because they're a willing companion.

>> MICHAEL MAEL: We have a question: Did the Utah Symphony see a change in their audience after their change in marketing? And I'm not sure they saw a change in the demographics, but certainly I know they did attract more of what we would call the not-yet-loyals to come back to the orchestra, but I don't have much more detail beyond that.

>> KAREN FREEMAN: Well, you know, they participated in a webinar, if you go to our website you can go ahead and see that replay. We had Jonathan join us. It's interesting, because he also thought of this as a way to attract new audiences. He didn't have metrics that he spoke about to that, but what he was saying is, for those of us who are familiar with the art form, with the Symphony, then talking about a particular performance is going to be resonant but for everyone else, they need a little bit more of a something to pull them in.

So he was thinking of it as capturing people kind of earlier in the marketing funnel, people who are earlier in their consideration set with something emotional. Again, I don't have specific statistics but it was some -- a direct desire of his as they were doing this, is to attract new audiences as well as to bring back the not-yet-loyals.

>> MICHAEL MAEL: So there's a question that says, to what extent do you see presenters altering their actual product customer experience? Or is it simply a way to adjust marketing? When we set off on this path to understand audience motivations, as I said earlier, it was both to understand how to talk to audiences in language that resonated with them, as well as to be able to create experiences that were more meaningful to them. So if you go back and you look at the 8 segments that we developed, we know how to talk to the 2 on the far end. We know how to talk to the loyal audiences. We know how to talk to the true believers. That's inherent in who we are and what we do.

The question is how do you attract others, the amiable followers, the friends, the people who are coming for social reasons to focus on the core content of the concert, may be not as important to them as a social aspect, and so we haven't yet finished the work in trying to understand fully how to design experiences to meet those different segments, but I think, yes, you certainly could think about variations on a customer experience that appeal to specific segments to bring new people into the hall.

I'm not suggesting obviously making major adjustments to your programming, although we know that different programming does bring in different audiences but there are ways to package that experience and add things to the experience that will appeal to different audience segments that are not yet your loyal customers.

>> KAREN FREEMAN: Yeah, I think that that actually relates to the question that just came in and then I'll come back to the one in the Q&A, that's asking if there was data in the research about how to touch diverse cultures emotionally. And I think there's two parts to that. One is the thing you just said which is we know that some programming is going to pull people in. But the counter weight to that is the crossover then to your traditional programming doesn't seem to happen and so I think the whole conversation behind this conversation is that people don't go to performances because they are from diverse cultures. They go to performances for other motivations and so if we can build experiences around those motivations, then maybe we can get that cross-over that we're looking for.

If someone is going because they want to have a conversation and expand their horizons, then let's build opportunities for them to do that, that makes them stickier. So often we get caught in appealing to some, because we want diverse organizations, we want diverse individuals in our audiences, we get caught in appealing to them because of their diversity. That's a thing that we want. That's not necessarily a thing that they want. How do we think about what our audiences are looking for and giving them that,

not in terms of programming per se but in terms of a full experience that meets their motivations.

There was a question in the Q&A around collecting data. They say reaching subscribers is easy, but what about individual ticket buyers? Or even harder those who might attend but do not, how to survey those folks. And two parts to that. One is, massive volume, right? So we got as many of our ABA members as we could. In our next donor survey, we're going even bigger. Hopefully as our network grows we're able to go even further so even if you get a small percentage of that group, then you can get to a large enough number to really understand them.

But the other is actually predictive analytics so that's a thing that we're trying to dig into next. We're partnering with an organization called Haystack DNA. They've done predictive modeling of political campaigns. They did targeting for Obama's first campaign and a couple of others since, and we're trying to see as I mentioned in the chat, we're going to try to see if we can identify what motivational segments and what might fall into who we don't know based on what we do know about these audiences.

There's massive amounts of consumer information out there that we have access to. There are U.S. laws around privacy. There's quite a lot of publicly available information that voter, that political groups take advantage of, that corporate brands take advantage of, that we should be making use of too, and that's what we're going to try to do next if we can't get ahold of them through surveys.

>> MICHAEL MAEL: So, Karen, in the Q&A, there's a question from my former colleague Aaron Doty at Grand Rapids who said: Is there any AB testing for emotional marketing and functional marketing for the same program, creates an apples to apples comparison? We are big fans of AB testing. We are big fans of test and learn strategies, so, Aaron, I guess I would invite you in Grand Rapids to employ that, and tell us what you find.

>> KAREN FREEMAN: We'd be happy to talk to you about that. This is a fairly new concept for many people, but I think we'd love to test it out and see how it goes.

And also we could probably ask Utah Symphony, right? That is in a way AB testing although it's not the same performance.

>> MICHAEL MAEL: But we're big fans of test and learn, and so we'd love to help you if you decide to go down that path.

>> KAREN FREEMAN: All right, let's see. Any data that looks at patron and donor relationships together, and possibly the effect of asking for donations on future ticket purchases or subscriptions.

The short answer is, no. We did ask -- we know who in this list of audience is donors. It's a pretty large percentage of our, like with many surveys of arts audiences, we got a lot of subscribers and donors, but our next survey is going to get into quite a bit more detail on donor, so I'm hoping that we'll be able to come back here and talk to you about those findings in a few months, and answer that question yes, but right now, the answer is no.

>> MICHAEL MAEL: So there's a question that says: Expecting to take time to change organizational culture to make not-yet-loyals feel welcome seems to be of great value, too. We would violently agree with you on that. No question about that. In fact, one of the things that we learned from the Utah Symphony was the fact that they took their work that appealed to emotional marketing and actually used it to change the

vocabulary of what they did in the organization.

We talked very early on to an organization called The Place, a dance company in London, and they too did the same kind of emotional marketing and motivational segmentation and then actually applied it to their own organization, and so they really embodied those concepts in their organization, how they spoke to each other, how they thought about each other, and it helped them become a much more functional organization.

So from our perspective, this is -- these are ideas that don't just stop at the door of the concert hall. These are ideas that have huge importance for how you think about your audiences and of course how you think about your donors, as well, understanding how to appeal emotionally, but understanding really what motivates them is just absolutely critical as we compete in a very competitive environment.

>> KAREN FREEMAN: Not seeing new questions in here at the moment. Keep them coming, because we would love to answer them.

Oh, here we go. I think I see a little red dot that tells me there's some more. The visuals of the experience needed to change due to COVID for us: Date night, people getting out of a car, patrons in the hall, et cetera. Are you seeing a certain visual that is strong with patrons now?

I don't actually know the answer to that question, because I have not talked to our members about what visuals specifically they're using so encourage anyone on this to add their own answers, right, in the chat. Maybe is there a visual that's been working for you in this environment? Let's crowdsource the answer to that question.

>> MICHAEL MAEL: We have a question that says: A potential barrier for audience return will be their level of comfort, feeling safe attending in-person performances again. Is there data to draw on to anticipate this? How would you suggest taking this and incorporating it in the marketing plan? I know that early on, feeling safe -- and if you look, I think the LaPlaca Cohen survey asked this specifically if I remember correctly, and this was clearly a huge issue, particularly with our older audiences. I don't know that we've seen any new data since then. I think Colleen Dilenschneider in her Know Your Bone blog, if you're not familiar with that, talks a lot about this, and I would suggest you take a look at her research. I think she's just updated that in terms of people feeling comfortable, particularly in thinking about returning to Museums.

But if you're not familiar with Colleen's blog, it's called Know Your Bone.

>> KAREN FREEMAN: Know Your Own Bone.

>> MICHAEL MAEL: Know Your Own Bone, excuse me, Know Your Own Bone, and it's packed with research, and one of the things she has been tracking on a monthly basis is exactly this issue of feeling safe upon return.

>> KAREN FREEMAN: Yeah, I would say that we know that feeling safe, getting a vaccine, believing in the hygiene and cleanliness of an organization, or -- have dramatically risen in importance to people as they think about returning to in-person. In a way I think that's kind of like clean sheets in a hotel. It's going to become the minimum standard for us to have our audiences back. We are starting to collect examples of, for those groups that have re-opened in limited capacity, how they've described that, and a few videos that organizations have used to help people feel safe. We have those on our website if you want to take a look, and we'll be updating that as

we go along, so at least you can learn how others are doing it and see if there's something that particularly appeals to you and your audiences.

>> MICHAEL MAEL: There's a question: To what extent does building/feeling a part of a community [Inaudible] our research? Have thoughts on that Karen? I certainly do.

>> KAREN FREEMAN: Yeah, well, it relates actually, we talked about the LaPlaca Cohen Slover Linett survey on culture in a time of community, or gosh, I'm getting the name wrong, but it was the survey we did this past summer that looked into how audiences and non-audiences are engaging with the arts in digital, and the number-one conclusion we took from that survey was that in digital, what people are looking for is connection, and I think that sense of community is really important.

I think that is particularly true of the moment we're in right now. As we're looking -- we sort of contrast these two pieces of data we have. On the one hand, we have data from before the pandemic that says, what are people's motivations, and community is very important to a segment, right? We have this group of people called conversation -- we have a group of people called civic stewards who want to see duty and community, and they believe in the arts as a part of -- an important part of a community, and there's conversational challengers who want to have a conversation with others about the art. Those are two kind of community threads we see in our pre-pandemic audiences and then we have a survey that's been done since that says that what people are looking for in digital is connection, and connection to each other through the art, not necessarily connection to you, although we'd love it if they had connection to us. What they really want is to feel connected to people at a time when they can't.

And so I think the real question is: How much people will return back to their prior motivations and how much that one will stick so it will definitely be a question. I think Slover Linett and LaPlaca Cohen are returning to that survey so we'll have a good sense of how time has treated that particular motivation.

>> MICHAEL MAEL: Let me just add to this, and it's not a research based answer but more of an anecdotal one. As I -- we were starting the Advisory Board for the Arts, I talked to a number of people around town, what I affectionately referred to as my conversations with smart people doing hard things. So a couple that bought an independent book store, had it in local NPR station newspaper folks and so forth, and it was interesting, when you talk to the couple that bought Politics and Prose, a very successful independent book store actually expanding, they told you that yes, while their business was selling books, it was really about building community, really about building a Politics and Prose community, just as Starbucks is about building the third space where you come to hang out, just as the NPR affiliate was interested in building a WAMU community.

And so everywhere, people are looking to build community. There's so much conversation about creative place making and things of that sort, all designed to build community, and it's always surprised me that performing arts organizations have not taken fuller advantage of the opportunity. They have a space. They have a space where people gather and they do this informally or we tend to do this with donors or high end donors who like to get together and have a social experience but we don't generally do this perhaps as aggressively as we have and I suspect as you look at your audience

segments and you look at the motivations, you'll find there's a large segment there for whom community is very important and if you can provide that community, I think they will reward you for it.

>> KAREN FREEMAN: So there's a question in here whether we have comparison data that shows programming versus marketing in terms of audience attraction. For example we often feel compelled to do more pops programming to entice audiences. Might it just be a marketing issue?

So I should clarify what kind of data we have. We have brand data on what drives loyalty, both from non-consumers of a brand and consumers of a brand, and then we have arts data that shows existing audiences, so I don't have data that shows non-consumers of arts, and what attracts them.

I do know from the Wallace Grants and so on that people have tried a lot of different things to attract people through programming, and it has been variously successful, sometimes very successful, but often the real challenge is how to make that crossover as I mentioned earlier into your more traditional programming so even if I don't answer your specific question about which one attracts more, there's that second-order sort of challenge you have of okay, I've brought them in, but now I have all these microsegments of different audience types that I've pulled in with my programming that I have to continue to offer that kind of programming year after year.

Put that aside. We do -- the data we do have compares for our not-yet-loyals or our existing audiences what is driving loyalty in the performance experience, and as we showed, achieving or exceeding your motivation expectations matters more than programming, and the quality itself. And that's only because the quality is just rated so highly, it's hard to differentiate on that, versus that achieving your motivation, so that gives us some hints that we should be using marketing more to bring our audiences back by appealing to shared values, that thing we've been talking about for the last hour. So hopefully that helps answer the question a little bit more.

>> MICHAEL MAEL: The question says: Most of us work in isolation, silos, focusing on our own audiences. Does your research influence whether or not working together to build larger communities of patrons for the arts itself or at least our communities? I would say the mere existence of the Advisory Board for the Arts, the existence of our business model, is predicated on the assumption that working together, we are more successful than working individually. That by building communities of learning across geographies and certainly across genres allows us to learn in ways that are typically not competitive with each other and that our belief that working together is far more effective in terms of overall expanding the market for arts audiences in a community than working individually.

>> KAREN FREEMAN: That's an interesting question in here that says: Could pops programs be somewhat of a shortcut to emotional appeal due to its more current creation and content? I don't have any data that says so, but it's an interesting idea that people feel more of an emotional connection because it's more familiar to them. Certainly familiarity breeds emotion, right? That's probably a big part of why our most loyal audiences can look at Beethoven's 9 and know and be attracted to that, in addition to their appreciation of the functional attributes. Functional attributes, I'm using my database lens on it, the beauty of the work itself.

So I think that's a really interesting idea that that's one piece of what's so appealing

to new audiences is that emotional appeal.

Oh, and then somebody else here points out that Hamilton had a much larger audience in the San Francisco Symphony. So programming clearly has a bigger impact. I mean, when somebody doesn't know you, the programming can be a real shortcut to appealing to someone. I have no doubt about that. Here we're talking about our not-yet-loyals, right, the outer rings, that is where we're very certain about this strategy. I think it gets very mixed in when you're talking about people who don't know you at all, attracting brand new audiences and we did not measure specifically the impact of a kind of programming relative to emotional appeal. But if you think about it, if somebody cares deeply about a movement, then they're going to be attracted to you. It may be as strong a lever, if not stronger.

>> MICHAEL MAEL: One I just want to emphasize, because I think it's important the context, if you go to Colleen's Know Your Own Bone, you will see a similar diagram of concentric circles. Hers are different. The concept is the same. Her research suggests that if you simply look at the population, that 50% of the population will never set foot inside our hall, no matter what we do, will never set foot inside our theaters. It's just not something that's interesting to them, and so when we look at our audiences, when we look at that 2/3-1/3 split of the segment motivations, we are looking at people who made the decision to buy a ticket and come to some kind of a performance. We're not looking at non-attenders at all, and what I think is important is to understand that what we're saying is of the attenders, of the people who have made the decision to buy a ticket and attend something, only 1/3 of those are there because they are passionate about the arts, and 2/3 are not.

And I think that's important information to keep track of, and think about as you do your marketing and as you do your programming going forward, particularly as you need to bring audiences back.

>> KAREN FREEMAN: There's a question in the Q&A about Utah Symphony and from when -- when did this happen, and do we know specifically that we can attribute all of the results to this use of emotional marketing versus other outside factors, like the economic strength, the schedule, and dates of performances, et cetera. This was not a controlled test of the use of emotional marketing, right? We look back and see what examples we can find, and so it may well have been that other factors influenced those numbers, and you might not get exactly the same outcome, but I think what we can understand is this -- if you combine all of our data sets, it provides a sort of strong direction towards this seems to work, and then we have an example of someone who did it and it worked so that's about as far as I would take it.

I wouldn't say that this is a peer reviewed journal article level of, for the Utah Symphony data specifically, but when we have an example we can find out in a world that's done it, we like to share it. And then as to when it was, it was several years ago. I don't actually know exactly when.

>> MICHAEL MAEL: It was in '17-'18.

>> KAREN FREEMAN: '17-'18, thanks. Then there's a question, are you suggesting we should be running emotional shared value campaigns for the top of the funnel folks as they would become a single ticket buyer and we should be using -- maybe I'm misunderstanding this question. Are you suggesting we should be running emotional shared value campaigns for the top of the funnel folks, and as they

become a single ticket buyer, we should be using more programmatic marketing?

I wish we could be that precise about when someone shifted over the hump from becoming early in the loyalty process to later on. I have a feeling you're going to use a combination of it. Certainly the first part is true, right? Emotional and shared value is going to capture those top of the funnel folks. They're probably also going to attract those who are connected to you, because they're connected to you for more than the programming, or at least wouldn't it be great if they were. If you can use shared values to talk about what it is you stand for as an organization, it's going to appeal to your loyal audiences, it's going to appeal to your donors. Already the work that you're doing in your education and community engagement is about what it is and the good you do for the world and that appeals to many of the people who are already loyal.

So this is a strategy that while it's particularly effective for the early stages, is also effective later. And then programmatic marketing is always going to be a piece of what you do, because people need to know what it was that they're seeing, and why it is that they should come.

>> MICHAEL MAEL: So our last question, Karen, I know you've been waiting for this one: Were respondents asked if they personally played an instrument? Or did any questions explore how they emotionally connected to classic forms of music?

>> KAREN FREEMAN: We did ask a -- oh, boy, now I get to talk about this data. I love -- we did ask them about their ability to read music, and what we found was that while our group of people who took this survey generally had a higher level of musical knowledge or ability to read music, that music literacy than say the general population, none of our motivational segments necessarily had higher music literacy. In fact, you saw a chunk of our arts passionates, our aficionados and our connoisseurs who had low levels of music literacy and another thing that we found is music literacy did not seem to affect donation amounts or likelihood to donate. It seems to be a thing that brings you in, but once you're in it doesn't matter that much as to why you're there or whether you donate.

>> MICHAEL MAEL: So, David, I think we're at an end here. Do you want to take over from here?

>> DAVID STYERS: Absolutely. Thank you so much, Michael and Karen, for sharing all your expertise, and to help really change people's thinking, both those who have been on this webinar today, working particularly in marketing for their orchestra, but also changing the thinking maybe of their audiences and their communities' perspectives about their orchestras and you gave us a lot to really digest and some great research and tips on how to really move forward successfully in rebuilding audience loyalty so again thank you so much again for your time.

And before we -- go ahead, Michael.

>> MICHAEL MAEL: If we send you the presentation, you can send it out and make it available?

>> DAVID STYERS: Yes, absolutely. So again, a reminder before we depart: Everyone who registered for today's event will receive an email with the recording, the presentation, as well as a transcript, and we hope to get that to you by the end of the week, and again, once again, we would appreciate your completing the evaluation form by clicking on the link located in the session description, and the link has a lineup of future additional learning events all through the Spring, and our approach to these

offerings are really informed by the feedback we receive from you.

And January is a very busy month, including two more webinars. The first is coming up in two days, on Friday, January 15th, at 3:00 p.m. Eastern on the newest federal COVID-19 relief options.

And the next one is in two weeks, on Wednesday, January 27th, at 3:00 p.m. Eastern entitled: Navigating uncertain times, how to use scenario planning to chart a course in new environments, and those are on our websites and you'll be receiving emails with more information about registering for them so again, thank you, Michael. Thank you, Karen so much again and thank you all for joining us and we look forward to seeing you here very soon. Have a great rest of your day.

>> MICHAEL MAEL: Thank you very much.

>> KAREN FREEMAN: Thank you.

[End of session]

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