

PERFORMING ARTS AND THE CONSUMER

This paper will look at some of the marketing issues facing the administration of regional performing arts centres in Australia. The issues raised apply particularly to the Townsville Civic Theatre, however, I think it would be fair to say that the same or similar issues face the operators of Council or community owned theatres in most provincial population centres. Historically Council or community owned theatres have been anything from a modest hall with a stage at one end, graduating through to well appointed theatres such as the old Theatre Royal here in Townsville or the Princess Theatre in Launceston, Tasmania. Whatever their status as a theatre, they were, and in many cases still are, a facility without management or direction. If they were not required to house a branch of the performing arts or other leisure activities, such as cabarets or bingo, they simply remained "dark."

During the 'sixties funds began to be channelled into the provision of legitimate theatres in regional centres. The Wagga and Albury Civic Theatres were two of the earliest examples. However, the provision of facilities was seen to be the end in itself, and little thought was given to how they might function. The thinking was that private entrepreneurs and community amateur groups would be sufficient to keep the theatres lit. However, the tendency to provide commercially unviable small capacity theatres and the initial impact of regional television stemmed the flow of commercial theatre, thus leaving the field, in the main, to the occasional amateur seasons and the Arts Council visit.

In the early 'seventies this thinking began to change. Local Government Authorities and other responsible bodies contemplating building theatres for their communities, began to recognize the need for some sort of positive management direction for these facilities. By this time the Canberra Theatre Complex had been operating on a fully managed basis for over a decade, the major capital cities had also begun to provide role models for the provincials with the opening of the major state subsidised arts centres, the Adelaide Festival Centre, the Perth Concert Hall and the Sydney Opera House.

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Subsequently, most of the new theatres in regional centres have a management staff of some kind. In Queensland this applies to the cities of Ipswich, Rockhampton, Townsville, Cairns and Mt Isa. In fact, a special provision of the Municipal Officers Award recognizes the position of Civic Theatre or Centre Manager.

The role of the manager, at its most basic level is twofold, firstly to administer the facility, and secondly to promote the use of it. In the context of a legitimate theatre such as the Townsville Civic Theatre the second function simply becomes an exercise in marketing the performing arts.

Provincial community centres, although they share some features with venues in the major capital cities, have certain recognizable features which have to be taken into account when planning market strategy. The first feature is that they are a multi-arts showcase. Unlike the old commercial theatres or subsidized theatres in the capital cities which usually play one type of attraction for a run of anything from six weeks to twelve months, the regional civic theatre is the venue for all branches of the performing arts, with seasons ranging from one-night stands up to a week. This length of run is the second most important factor: a season extending beyond a week is most unusual, and, of course, the smaller the population served by the centre, the shorter the length of the season. The third feature is that the house caters for both amateur and professional companies, with the consequent propensity for wide variance in performance standards. The fourth feature is the constraint on choice of product. Unless the centre is located close to the capital cities of Sydney or Melbourne, and to a lesser extent Adelaide or Brisbane, the choice of product is limited. Against this factor we have developed a marketing policy for the Townsville Civic Theatre taking into account two basic facts, the product or taking the arts to the consumer, and the market, or taking the consumer to the arts. A two stage approach was subsequently evolved. The first year would be used to build up and develop as wide a range as possible of theatrical product, given the constraints already mentioned, and having achieved a reasonably consistent level of product both in quality and frequency, to then engage in an audience development program. A major factor in the first stage, the product development area, has been the ability to purchase productions through the Council Entrepreneurial Fund. This has enabled the Townsville Civic Theatre to stage many productions which otherwise would not have visited Townsville. During the peak period of May to October last year, this accounted for twenty percent of all performances presented. During the period from January to March, this year, which can be described as an off-season, entrepreneurial activity accounted for ninety

percent of all performances staged. In other words, if Council had not been in a position to mount its own productions the Civic Theatre would have been dark for eighty-four of the ninety-odd days in this period.

For those that are familiar with the range of presentations that have been mounted at the Civic Theatre since its opening, the effect on the overall choice can be seen, if such attractions as *For Colored Girls Who Considered Suicide/When the Rainbow is Enuf*, Brian May and the Melbourne Showband, *In Praise of Love*, Hans Richter-Haaser, Count Basie, *Bedroom Farce*, *The Sound of Music*, *Summer of the Seventeenth Doll*, PUK, Irina Plotnikova, and the recent *Don's Party* had not been presented. It is certain that nobody else would have undertaken these ventures at this time.

In undertaking an entrepreneurial role we have been engaged in a policy of maximizing our audiences by providing to the existing market a range of products that will have the maximum appeal to all market segments. We are now booking twelve months ahead, and further in some instances, to try to secure a reasonably stable product situation. Further moves will continue to be made in this area. For example, there is a proposal to establish a professional touring theatre company to service the region, which will place seasons at the Civic Theatre on a regular basis, from early 1981. The current Summerstock Program has the provision of popular entertainment as one of its major objectives, the other being the development of local amateur talent.

These activities have all been aimed at providing the first component of the exercise, the product, or bringing the arts to the consumer. However it is the second component to which we now turn: the market, or bringing the consumer to the arts.

Information about our market is at this stage intuitive rather than empirical. Such empirical information as has been obtained has been done so very haphazardly via casual management observations of the clientele's behaviour. However, certain assumptions can be made. For example, observations would indicate the areas of high and low market cross-over. Market cross-over is high within different types of classical music for instance, and low between say, classical music and popular variety concerts. We are at this stage only able to make a guess at the total audience penetration in Townsville and district. Figures are presently being collated which provide a total of seats occupied in the last twelve months in each of five broad categories. However, without an audience survey to provide the degree of cross-over within markets and the frequency of attendance of patrons, no accurate estimate of market penetration can be made. The more expensive process of taking a sample population survey would be necessary to provide data on which sound marketing strategies

for expanding total audience can be based.

Given that we have this data, or in lieu of it, that we are prepared to back our own intuition, what then are our marketing objectives? Broadly they are the same as in any other marketing situation. The total market for any product may be divided into two main categories. Users, and non users. The users may be divided roughly into three sub-groups, heavy users, moderate users, and light users. It is up to the observer of the particular market to set the limits of these categories arbitrarily. The object of any marketing exercise is to keep the supply of product up to the heavy users, upgrade the moderate users to heavy users, and the light users to moderate users, and finally the non users into users.

The first three of these objectives, involving either maintaining or increasing usage, are relatively simple, compared with the task of getting a non user of the product to take that first step into becoming a light user of that product. At the Civic Theatre we have already instituted a number of devices which are designed to assist in increasing the frequency of attendance amongst theatre patrons or if you like are aimed at the present user of our product. Season tickets, group discounts and scaled houses are all fairly standard sales devices which tend to favour an increased frequency of attendance at the theatre; fundamentally, by providing financial incentives to attend what in that consumer's mind might be a less desirable attraction.

At this point I would like to expand a little on the last mentioned of these devices, the scaled house, as in my opinion there has been some misunderstanding over this technique. It is often thought, incorrectly in my opinion, that the only rationale for a scaled house, is that some seats are less desirable than others. This is indeed quite valid in the case of a flat floored auditorium where seats in the rear half have a restricted view, or in the case of a tiered house where seats in the "gods" have either a very restricted view or are a long distance from the stage. However, I believe that the rationale for a multi-price house can be simply expressed in marketing terms. For every product there is a consumer demand curve, and this applies to the theatre no less than the other market. In a normal market, as price rises, demand falls and vice versa — as prices fall, demand rises. If you have a theatrical presentation with an average price of say \$5.00 which will produce sales of say, 500 people for that particular event, it is reasonable to assume that for each dollar increase in price the number attending will fall, and on the other hand, for each dollar the price is reduced attendances will increase. By introducing three prices, say \$3.00, \$5.00 and \$7.00, you should obtain in the middle and upper range, a total of 500 people, however, you will have increased your gross, as some of those will have paid \$7.00 to sit in the best seats, on the basis of their

utility of that particular production. The introduction of a \$3.00 price will then further increase your attendance and gross by including all those who were prepared to pay more than \$3.00 but not more than \$4.90. The proof of the validity of this particular exercise, I believe, lies in the number of sales that can be chalked up in "C" Reserve seats when there are plenty of good "B" and "A" Reserve seats and sales of "B" Reserve seats when there are still good "A" Reserve seats. This means that consumers of theatre do have a marginal utility for the product, and that a marginal price change is a factor in determining overall attendances.

However, this view is not necessarily, a popular view. In Queensland both the A.B.C. and the Arts Council, two of the leading state entrepreneurs, have in recent years abandoned multiple price reserves. They either do not regard this as a significant factor or else, a significant enough factor, to off-set the amount of extra clerical work involved in the exercise.

The subscription series is another good marketing device for increasing usage of the theatrical product. Again the financial incentive is there — more bang for the buck is what is offered in the subscription package — and I think one may intuitively assume that the overall number of paid seats would be greater where subscriptions are sold, than if the seats were offered individually, even at the same price, on a one off basis. The consumer who may have gone to one or two plays or concerts out of five, will commit himself or herself to the total five. Of course, he may not attend all five, but managements while publicly regretting this situation are privately just as happy because the money is in the till, and financial objectives have been met.

This is one of the drawbacks of the subscription system. The tendency of unadventurous managements is to serve the existing market, and avoid the challenge of opening up new markets for the product. This can become an extremely vexed question in subsidized organizations where the breakeven point can never be met because it is beyond one hundred per cent house capacity. This simply means that every additional sold out performance means an even greater loss. But the answer here is that if the organization is financed in this manner, then the benefits of the product to the community must be considered greater than the financial costs of providing it. In this case the objectives of the organization should be orientated towards maximum attendances at a given and if anything reducing cost per head.

I would now like to turn my attention to what I see for us at the Civic Theatre as the most critical area of operation in the next twelve months, and that is simply the development of new markets, or getting the non user to become a partial user of our product.

A number of initiatives are envisaged, however these will depend on budget provision and in some cases availability of expertise, and therefore it would be premature to state that these are the programs that will be implemented. I would rather treat these then as a range of options from which certain choices will be made as it becomes practicable to do so. The validity of some proposals will have to be tested with market research or alternatively, by trial and error.

We need to lay the emphasis in sales on direct sales rather than relying almost exclusively on electronic and print media, as has been previous practice. A more sophisticated approach to the group booking market is needed, linking the traditional direct mail approach with door to door representation. At present much of the material sent out to organizations is wasted, owing to the fact that the particular recipient in the organization either sees no value in the material received, and consigns it to the waste paper basket, or only makes limited representations to the members of the organization. Informal contacts need to be established with theatre enthusiasts who will proselytise for the Civic Theatre and win converts to become ticket holders and theatre audiences.

Some initiative needs to be taken to counteract the lack of public transport within Townsville at night. People without cars and access to cars — students and pensioners are two obvious groups that fall into this category — are seriously disadvantaged. Whilst student and pensioner concessions can on occasions make the visit to the theatre a very attractive proposition financially, a return taxi fare for one or two from Kirwan can make it a very expensive evening. Outside of Townsville the question of organizing group bookings, coupled with the provision of transport, would again give the theatre access to new markets. Ingham, Ayr and Charters Towers with a combined population of approximately 25,000 comprise a market to which the theatre has at present only limited access. Similarly, transport to and from Magnetic Island is only available on a charter basis and this is another area to look at.

Initiatives will also have to be taken to make the purchase of tickets easier. At present we have only two outlets for the sale of theatre tickets, one at the theatre and the other in the centre of town. A voucher agent system has been developed which will provide tickets sales points and advertising presence at tourist accommodation in all categories, the major out of town areas, already mentioned, as well as other specialist institutions, such as the University and the College of Advanced Education. This scheme will be introduced by stages over the next twelve months.

Another initiative, however, one that needs careful planning, is the provision of suitable sample theatre experiences in potential market

areas, particularly the workplace and schools. Mounting performances of dance, drama or music that in some way relate back to the Civic Theatre and presentations at the theatre would certainly be a way of making contact with the non user. It is a very difficult area for a number of reasons. Firstly, there are the usual difficulties of staging a performance in a non theatre environment, minimal staging, lighting, sound and possible resultant lack of atmosphere. One also has to ensure that the performance will work in the given environment, and this includes the willingness of the audience to receive the performance. Gratuitous performances invariably have more to overcome than those where the audience has purchased their ticket and gone to the venue of their own volition. Notwithstanding all of this, if all the elements could be brought together, the sample performance is a major weapon to create new customers for the Civic Theatre products.

At some stage, we will have to know more about our audiences, and our non audience, and this leads back to the question of a sample population survey. This information is not only needed to establish audience profiles, but also to determine the non audience profiles and reasons for attending or not attending any or all of the performances offered. The survey data, should tell us not only how we should go about the marketing of the product, it should also tell us how successful or otherwise we have been in effecting a satisfactory product mix at the theatre to maximize audiences. Any comprehensive survey is likely to carry a five figure price tag. There is no doubt that this figure could be reduced by sharing data collection and processing with one or more organizations and this is an area that we will be looking at very closely.

Thus far, our expressed approach to marketing has been quite conventional, in that it is geared towards existing social and industrial conditions. In the present context the average consumer is most likely to be a spectator only. I believe that the greatest audience development will occur if more spectators also become practitioners. However, at present leisure time means respite from work and most people are not prepared to make the necessary commitment to become a reasonably proficient actor, singer, dancer or musician, even at an amateur level. I am convinced that dwindling energy resources and computer technology will result in major economic and social restructuring in the next quarter century. As a result, leisure is likely to replace work, rather than be merely a respite from it. A perfect climate will then exist for the new growth industry — leisure. Promoters of the performing arts have the golden opportunity to establish the performing arts essential to the leisure industry both in the provision of employment of professional practitioners and the opportunity for widespread community participation of amateur practitioners. As working hours reduce, introduction of the performing

arts into the workplace could provide a very valuable alternative to redundancy, it will also provide for the professional performing arts the spectator practitioner who in turn will provide a much more demanding and discerning audience than the purely spectator audience. In any case, future events or the present situation, both demand the same thing, the recognition of marketing as fundamental to the success of performing arts.

Certainly at the Townsville Civic Theatre the consideration of marketing issues are very highly placed. However, in closing I must emphasize that fundamental to the marketing exercise is the nature of the product. When one markets most consumer goods and services, one is dealing with a standard product, or more precisely, one can easily determine the standard and to some extent, the acceptance of the product. Cars are built to certain specifications, coffee can be blended to a consistent flavour and quality and so on. Not so in the performing arts. You frequently have a highly volatile and variable product. A production of a previously unperformed play is a good illustration of what I am talking about. Having taken a punt on the vehicle, the producer may try to stabilize the variables by engaging a director, designer and cast of proven ability, but all of these inputs will not necessarily guarantee that the final product meets with the producer's or the audience's expectations. There are less variables in the performance by a symphony orchestra, assuming continuity of conductor, and players. However the choice of program or an off night can have a devastating effect which may not be felt immediately, but carries through to the next performance or season of performances.

Thus, because of its volatile nature, the theatrical product cannot be left alone and considered as a constant. On the other hand the perpetual problem of consistency of product, should not inhibit the arts administrator from engaging in marketing the product by exactly the same types of techniques as used in general consumer merchandising.

I would also like to make quite clear that while the marketing objective translates into cash at the box office, I do not think that this means abandonment of the pursuit of excellence, and the adoption of the lowest common denominator of public taste as the criterion for choice of theatrical product. Good theatre in the final analysis, must have the elusive elements of energy and excitement. Energy and excitement are the products of the creative process and the lack of them in any theatrical product is the most serious problem the arts marketeer faces, because without them he does not have anything worth selling.