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Author

Cooper, Lee G

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occur in a theatre, one should be thinking through the implications for the rest of the marketing effort.

2. *Place.*

This stands for what are formally called the channels of distribution. Most typically this is the physical space of the theatre. Until Proposition 13 the Los Angeles Shakespeare Festival had one play at the Ford Theatre, another touring the city schools and a third play touring the city and county parks. These are three different channels of distribution. It should be clear that the channel of distribution impacts the artistic product as well as the way one goes about marketing that artistic product.

3. *Price*

Not-for-profit arts organizations should take an empirical, rational approach to pricing decisions. The arts have multiple audiences. One need not attempt to get all revenues from any one of them. The attending audience will contribute some part, the patronage audience will contribute another part, corporate or foundation support may provide another component and, even in an era of deep budget cuts, governments will still continue to fund the arts at some level. So the management of an arts organization may set financial goals and try to achieve them in a trial and error fashion which produces a much truer "market test" than one would receive by attempting to secure all resources from ticket sales.

4. *Promotion*

Before one may intelligently guess at a proper promotional strategy, one must know what product is to be promoted, through what channels of distribution and at what price structure. This is called the "marketing mix." Whatever marketing plan is developed is for a particular combination of "mix" of product, price, place and promotion. The hope is that all parts of the marketing mix fit together into a whole which properly communicates the desired concept of the theatre.

Even if your theatre has never thought in these terms, implicitly you have a marketing mix. It is useful to sit down and write out the choices that have already been made explicitly or implicitly. What are your products? How are they distributed? What is your price structure? How do you currently promote the theatre? Asking and answering these questions is a good way to find out if your theatre has strayed from its initial mission. It is easy to be seduced into chasing a buck to keep the wolves from the door. But if the cost of the chase is the sacrifice of the mission of the theatre, it is time to develop a new plan.

Investigating the Effectiveness of Promotional Efforts in Arts Organization

LEE G. COOPER

Publicity and promotion are just part of an overall marketing plan for a theatre. A theatre has a series of choices to make concerning how to communicate what it is all about to its various publics. These choices fall into four broad categories. In the traditional marketing literature these are called the four P's of marketing: product, place, price and promotion. The choices made with regard to each of these need to be mutually supportive in order to clearly communicate the mission of the theatre.

1. *Product*

The concern here is the artistic product. "The play is the thing . . ." One would market plays by Beckett, Ionesco or Pinter differently than plays by Neil Simon. What a theatre chooses to present as its artistic product is the most basic decision it can make. The rest of the marketing plan often can be tailored around this single choice. But a theatre can also decide to help its marketing efforts by adding more or different products. Acting or movement classes, improvisational theatre or educational seminars during dark nights are examples of new products many theatres could adopt. New products impact the marketing plan. Whenever these kinds of changes

The wolf is at the door. More money would be the most frequently offered solution to your theatre's problems. There are many opportunities for increasing the revenue of your theatre which are consistent with and supportive of your mission. But what about the other side of the issue? Are you spending your marketing dollar wisely? How much revenue do you bring in for every marketing dollar you spend? Are there better ways to allocate the resources you do have? How effective are your promotional efforts?

There are two ways of investigating the effectiveness of your promotional efforts: direct audience surveys and aggregate modeling. Direct questioning will be considered first since it should be more familiar to you.

Direct Questioning

You probably have attended a performance at which, along with the program, you have received an audience survey form asking how or where you heard about the performance, what newspapers or magazines you read, some demographic information such as age group, occupation, marital status, and perhaps asked for your reaction to the performance. There are two points to make about such surveys.

1. If they are administered and analyzed properly, they are enormously valuable.
2. Few, if any are both administered and analyzed properly.

On the positive side, if you obtain responses to such questions from a sample of people from which you can generalize to all your audiences, you can easily estimate the number of people (and the corresponding revenue) that came to the theatre as a result of newspaper ads, radio spots, published reviews, word-of-mouth advertising, direct mail campaigns, etc. For each medium, it is easy to do a cost-benefit analysis comparing the costs and drawing power of community newspapers versus direct mail or radio. More particularly, you can look at the demographic composition of your audience to see if it matches what you consider to be your target audience. If not, you can see what medium draws more effectively the components of your target audience and reallocate your available dollars. Over a period of time you can see if the desired effect is achieved. This can all be done with simple cross-tabulation of the information on the questionnaire.

The problem is that typically one cannot generalize from the sample data which are returned. The simple truth is that one has no idea who did not return the questionnaire. To assume that the people who returned the questionnaire are similar to the ones who did not, is naive and contrary to the little bits of evidence you do have. If the ones who did not return the questionnaire were similar to the ones who did return the questionnaire, then they too would have returned the questionnaire.

One way around this problem is outlined as follows:

1. Sample enough performances that you can generalize to matinees, week nights and week ends or other special categories. Stratified random sample is very good to use here. You can classify performances by matinee, week night and week end and sample randomly (perhaps proportionally) within each category.

2. For each performance you select, randomly sample seat locations. All the proper announcements in the printed program about the purpose and importance of this research should of course be given. Perform a brief contact interview. Just before the play begins, during the intermission and, if possible, immediately after the play you should: a) send staff (or volunteers) to the selected seat locations to hand out the questionnaire in person, b) ask for the person's cooperation in filling out the questionnaire and returning it, and c) ask the bare minimum of questions to establish the demographic difference between responders and nonresponders. The interviewers can note sex and ethnicity, if it is important, and ask age, where the person heard of the performance and perhaps occupation. Such a contact interview can increase the response rate to the overall questionnaire, but more important, it can provide the basis for determining the difference between those who completed the questionnaire and those who did not.

Because of staff or volunteer limitations you may have a smaller numerical return (even if it is a higher percentage of those returned to those handed out). It is far better to have a small sample of generalizable data than a large sample of useless information. The contact interview gives you some information on which the responders and nonresponders can be matched. From this information all your estimates can be adjusted to approximate the total audience.

There will still be some people who refuse to be interviewed. The more personal nature of the contact and feeling of being selected specially will tend to minimize the refusals, but not eliminate them. With even a refused contact interview, the sex, ethnicity and approximate age can be noted. Further, you now know that the person approached did not return the questionnaire.

Armed with this bit of knowledge in sampling, you could request that a friendly corporate sponsor give you a hand with some marketing research. You could go to the professor of a marketing research class at a local college and ask for help in terms of a class project. Corporations, however, have much more in the way of resources to contribute than do the colleges and universities.

Aggregate Modeling

To give you an idea of what can be done with aggregate modeling and a sense of how to do it, consider some research done by Professor Dominique

M. Hanssens of UCLA evaluating the media effectiveness of the UCLA Department of Fine Arts Productions (DFAP) concert series. His study is based on ticket sales, ticket revenue and media expenditures for 237 cultural events presented by DFAP from Fall 1975, to Spring 1977. An event is defined as the appearance of an artist or group of artists and may include several performances. The average number of performances per event was around 2 and ranged from one to 18.

During this period DFAP had a rather consistent policy of advertising in seven defined media plus one "other media" category. These media and their average relative budget allocations for the period under study are:

Medium	Code	Average Relative Budget Allocation
Newspaper	NEWSP	54%
Neighborhood Papers	NEIGH	10%
College Papers	COLLG	3%
Magazines	MAGZS	2%
Direct Mail	DIREC	21%
Posters	POSTR	5%
Radio and TV	RADIO	3%
Other Media	OTHER	2%

These are averages over a couple of years and do not reflect a rigid allocation procedure.

So for each cultural event there is a series of numbers which tell how much money was spent on advertising in each of these eight categories. It is also known how many tickets were sold and how much revenue came into the box office.

Professor Hanssens developed a model which assigns an "importance" to each category of media expenditure in terms of its ability to predict increases (or decreases) in attendance or revenue. In fact he developed a whole series of models since different patterns of media expenditure might be optimal for different kinds of tickets (Series tickets, Student tickets, Discount tickets and Regular tickets). Further, he developed different models for different types of cultural events (Ensemble Classical Music, Solo and Miscellaneous Classical Music, Contemporary Music, Jazz, Rock and Folk Music, Stage Shows and Dance).

Table 1
SUMMARY OF MOST EFFECTIVE MEDIA PER CLASS

	ENSEMBLE CLASSICAL MUSIC	SOLO & MISC. CLASSICAL MUSIC	JAZZ, ROCK, FOLK, CONTEMPORARY MUSIC	STAGE SHOWS	DANCE
SERIES TICKETS	Direct Mail Newspaper	Direct Mail Magazines Posters	Magazines	Posters Magazines Others	Direct Mail Newspaper Neighborhood
STUDENT TICKETS	College Direct Mail	College Posters Radio	Direct Mail Others	Magazines	Newspaper
DISCOUNT TICKETS	Direct Mail Magazines	Direct Mail Neighborhood Posters	Neighborhood Direct Mail	Posters Neighborhood Others	Newspaper Direct Mail Radio
REGULAR TICKETS	Direct Mail College Others	Magazines College Posters		Magazines College Neighborhood	Neighborhood Others Newspaper

From Hanssens, Dominique M., "Evaluating Media Effectiveness in the Marketing of Arts Organization," in Cooper, Tschopik, Hannon and Cochran (Editors) *Selected Proceedings of the UCLA Conference of Professional Arts Managers*. Los Angeles: Study Center for Cultural Policy and Management in the Arts, 1978.

With one model for revenue and one model for attendance in each category we already have forty models.

For example, in the analysis of the number of regular tickets sold to Ensemble Classical Music Events, only direct mail, advertising in college newspapers and the miscellaneous category of "other media" had any significant impact on the number of tickets sold. The model showed that for every three dollars of direct mail advertising one more ticket was sold. But for the same three dollars placed in the college newspapers ads, eight more tickets were sold. If these three dollars were put into "other media" four more tickets would be sold. This comes out of a linear-additive model which means one good effect (or bad effect) just adds to another good effect.

$$\text{NTICK} = 4.40 + .34 (\text{DIREC}) + 2.66 (\text{COLLG}) + 1.33 (\text{OTHER})$$

NTICK is the number of regular tickets. The 4.40 means that you would have sold 4.4 tickets even if you didn't do any advertising in these eight categories. Three dollars of direct mail times .34 adds one ticket; three dollars of college newspaper advertising times 1.33 adds four more tickets. Of course there are errors in these estimates, but 64% of all the information in the number of tickets sold is accounted for by this simple model.

In each of the forty cases, Professor Hanssens chose either this linear-additive kind of model or a "multiplicative" model, according to whichever made more accurate predictions. The multiplicative type of model assumes that there aren't really separate effects for each media category. Rather, it is necessary to find the relative importance of each category in a fully interactive profile of media expenditures. In this type of model if one category has a good effect and another category also has a good effect, the combined effect is good-squared rather than just twice as good.

In 38 of the forty possible cases, a statistically significant prediction was made. Table 1 summarizes the most effective media for the different classes of cultural events and the different kinds of tickets.

For ensemble classical music, direct mail had a significant impact on ticket sales in each category. But for series tickets it was combined with newspaper ads, for student tickets it was combined with college paper ads, for discount tickets (mostly senior citizens) it was combined with magazine ads, for regular tickets it was combined with both college paper ads and other media expenditures. For dance, newspaper ads impacted all categories of ticket sales. Newspaper ads combined with direct mail and ads in neighborhood papers for series tickets; stood alone for student tickets; combined with direct mail and radio and TV for discount tickets; and combined with ads in neighborhood papers and other media expenditures for regular ticket sales. One might expect posters to be more effective on a college can-

pus than in the general community. This might help to explain the effectiveness of posters in the solo and miscellaneous classic music category as well as the stage show category. Note that nothing is listed for Jazz, Rock, Folk and Contemporary Music for the model of regular tickets. This is one of the two out of forty models which was not statistically significant. It seems that Jazz, Rock, Folk and Contemporary Music did not share enough in common to be treated as a single class of concerts. Research is being done to break down further this grouping.

It is clear that to do this kind of research on media effectiveness you will need technical assistance. Efforts are being made to provide the assistance to not-for-profit arts organizations who cannot afford to hire consultants. You should have a good idea of the kind of information required to perform this type of analysis. If you are willing to gather it and put it on to computer cards in a useable form, technical assistance organizations may be able to help you.

It is time to start asking your theatre the tough questions about how marketing dollars are being spent. Perhaps this brief discussion has given some practical directions in which to look for answers.