The Most Important Questions
Guiding Patrons on the Path to Greater Engagement

A Workshop for
Arthouse Convergence 2019

Session Handouts

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Useful Terms

**Customer Persona** - A semi-fictional representation of your ideal customer. It is generally referred to as a customer or buyer persona. Think of it as a story of your customer.

**Empathy Mapping** - A visual depiction of customer behaviors and attitudes that encourage us to think about customer needs, identify pain points, and opportunities in a methodical and straightforward manner.

**Customer Journey Map** - A map that tells the story of the customer’s experience: from initial contact, through the process of engagement and into a long-term relationship.

Random Acts of Kindness – Gifts or services that are not expected by the customer as part of a normal transaction. Example: Customer purchases a ticket to an event and receives an email with a

**Useful Data Sites**

- Census data
  - [https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml](https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml)
- Data segments:
  - Prizm: [https://claritas360.claritas.com/mybestsegments/](https://claritas360.claritas.com/mybestsegments/)
  - Mosaic: [https://www.segmentationportal.com/us](https://www.segmentationportal.com/us)
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<td>4. Needs &amp; Goals</td>
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Susan Marshall

Age: 42
Work: Bank Branch Manager
Family: Married, 3 children
Location: Gwinnett, GA
Ethnicity: Caucasian

Bio
Susan grew up in Natick, Massachusetts and went to University of California, Los Angeles as a Business Major. She met her husband at college. They married at 25 years and her oldest child is 14. Her parents still live in Massachusetts and her only sister lives in Boise, ID. She is actively engaged in her children's school and serves as PTO co-President at the Middle School.

Goals
- Raise three outstanding children
- To make sure arts & culture an important family lifestyle
- Finanancially support the things she loves

Motivation
- Incentive
- Fear
- Achievement
- Growth
- Power
- Social

Brands
- Target
- Toyota
- Disney

Preferred Channels
- Traditional Ads
- Online & Social Media
- Referral
- Guerilla Efforts & PR

Personality
- Introvert
- Extrovert
- Analytical
- Creative
- Conservative
- Liberal
- Passive
- Active
- Follower
- Leader

Frustrations
- Lack of time for things she cares about
- Will not tolerate bad technology
- Lack of arts education in public schools
- Will not put up with poor customer service

Behaviors
- Constantly on the move
- Regular user of social media
- A planner, but can be spontaneous to surprise others.
Empathy Map Canvas

What are we empathizing with?

What do they need to do?

What do they need to do differently?

What job(s) do they want or need to get done?

What decision(s) do they need to make?

How will we know they were successful?

Who is the person we want to understand?

What is the situation they are in?

What is their role in the situation?

What do they see in the marketplace?

What do they see in their immediate environment?

What do they see others saying and doing?

What are they watching and reading?

What have we heard them say?

What can we imagine them saying?

What do they see?

What do they say?

What do they do?

What do they hear?

What do they think and feel?

What are their fears, frustrations, and anxieties?

What are their wants, needs, hopes and dreams?

What other thoughts and feelings might motivate their behavior?

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Nine Key Steps for a Successful Customer Journey:

1. Review Goals
2. Gather Research
3. List Customer Touchpoints and Sales Channels
4. Develop and Conduct an Empathy Map
5. Brainstorm the Journey via the Customer’s Lens
6. Complete an Affinity Diagram (Persona)
7. Sketch the Customer Journey
8. Refine and Digitize the Journey
9. Share the Journey Map
First Purchase and Engagement
Susan's Customer Journey
The Most Important Marketing Questions Your Organization Should Be Asking – Part I

Each and every day, most organizations work to improve their business. They try lots of different approaches, yet more times than not they fail to achieve the results they need in order to be successful. Recently, in a conversation with a marketing director, I was asked to name the three most important reports that organizations should be running to help achieve marketing success.

When I asked why she was asking the question, she remarked that she was trying to filter out the noise of data that blasts her every day and instead focus on key factors.

Truth is, there are more than three keys or reports you can run to achieve marketing success in the performing arts. More often than not, if you focus on one simple concept then the data you are going after is very valuable to your business.

The concept is:

Attract + Retain + Upgrade = Marketing Revenue Success

Within this concept there are a lot of meaty questions. Every business must attract customers, retain them by getting them to come back, and over the long run upgrade or upsell them. It is a simple pipeline. That said, many organizations today don’t understand the underlying questions behind this simple concept. Let’s break it down.

Attract

In the performing arts if you aren’t attracting new buyers of tickets and subscriptions, you won’t be in business very long. Most arts audiences are 55 and older, so every organization must continually reach out to new potential ticket buyers as audiences age.

*How many first-time single-ticket buyers did your organization attract last season?*

If you think of the Attract + Retain + Upgrade concept as a pipeline, then Attract is the mouth of the pipeline. You want that mouth to be as wide as possible. One organization has a goal of attracting 15,000 new ticket buyers every season. They build strategies and implement tactics to achieve the goal and have benchmarks throughout the season to measure how they are performing.

First-time ticket buyers are the most expensive to attract. They require more time, money, and human resources. You can’t just walk out on the street and pull them into the theatre; you have to develop strategies that appeal to them. So think about your organization. How many first-time single-ticket buyers did you attract to performances and events last season?
If you don’t know the answer, you need to spend some time figuring it out. If your ticketing system can’t generate this report in two minutes or less, you have a big problem on your hands. If you do know how many first-time single-ticket buyers you’ve attracted, let’s get to the next question:

*What did you do with them?*

It has always amazed me that many organizations either ignore first-time ticket buyers or treat them almost with contempt. Considering that more marketing dollars are spent to attract them than any other audience segment, this treatment seems absurd. High-performing marketing departments build strategies to court first-time ticket buyers throughout their entire experience. Some things marketing departments do include:

1. Send them a special email welcoming them to the organization.
2. Provide them with special information about the theatre, parking, and dining or bars around the theatre.
3. Offer them a complimentary beverage during intermission.
4. Give them access to the patrons’ lounge and designate a marketing person to greet them.
5. Give them a backstage tour before or after the performance.
6. Ask them for feedback on their experience after the show.
7. Offer them a discount to come back and see another performance.

In each of the above actions, the organization is already proactively seeking to broaden the experience and get to know first-time ticket buyers. They are treated as special because they are special! Every first-time single-ticket buyer has the chance to become a subscriber and perhaps a donor, thereby embarking on a lifelong relationship with the organization that can generate tremendous goodwill and financial gain.

The key is having the data readily available in a software solution that will allow you to maximize the opportunity to both identify and get to know them. In Part II of this three-part series, we will talk about moving the first-time ticket buyer down the pipeline from single-ticket to multi-ticket buyer. Until then, let me leave you with a question:

*What is your conversion rate from single-ticket buyer to multi-ticket buyer?*
The Most Important Marketing Questions
Your Organization Should Be Asking – Part II

In part 1 of this marketing blog series, we introduced the following concept:

Attract + Retain + Upgrade = Marketing Revenue Success

We established that this concept is a pipeline in which organizations seek to move patrons.

New patrons, first-time single-ticket buyers, are the most expensive segment to attract. Every first-time single-ticket buyer has the chance to become a subscriber and perhaps a donor, thereby embarking on a lifelong relationship with the organization that can generate tremendous goodwill and financial gain. Although this is the optimum relationship, there are a lot of steps in between.

At the end of Part 1, we left you with a question:

What is your conversion rate from single-ticket buyer to multi-ticket buyer?

Retain

With this question we move further down the pipeline. Once you have that first-time ticket buyer in your theatre, what do you do next? This is an area where a lot of organizations get ahead of themselves. They want to go from single-ticket buyer to subscriber-donor in one fell swoop. In the process, the organization often scares the first-time ticket buyer away by asking for too much commitment too quickly.

Let’s put the situation into a familiar context that we all have experienced to some degree. When you asked someone out on a first date, you were using the date to learn about that person, right? If the first date went well, what did you do next? Did you ask your date to marry you? Probably not, because you didn’t know the other person well enough to ask for that big of a commitment. You asked for a second date. So, if you wouldn’t jump from first date to married in your personal life, why would you let your organization adopt this as a marketing strategy?

Let’s return to the question of a single-ticket buyer conversion. Does your organization know the rate at which you convert a first-time single-ticket buyer into a multi-ticket buyer? How would you even go about measuring this conversion rate? Well, if you know how many first-time single-ticket buyers you attract each season from your ticketing system, it should be easy to run a snapshot report on ticket buyers who have purchased tickets within a certain timeframe. Again, if you can’t run this kind of report within two minutes, your ticketing system is a liability you really can’t afford.
Once you have the information, what do you do with it? Retaining ticket buyers should be the focus of every organization. However, in order to retain them, you have to commit to actually getting to know them.

In his book *The Five Most Important Questions You Will Ever Ask About Your Organization*, Peter Drucker tells us that what customers value is often so complicated that the only way to understand it is to ask the customers themselves. When was the last time you asked your customers for their thoughts and actually paid attention to them?

Organizations that are successful in converting first-time single-ticket buyers take every opportunity to get to know their customers and invite them back. Successful organizations:

- Thank customers for attending the performance
- Ask for feedback on their experience
- Invite them to learn more about the organization
- Interact with them on social media
- Offer an opportunity for customers to return with a special offer

Remember, this is a two-part process. Just sending an email with a discount code to your next show won't achieve the best results. What does success look like? Well, for starters, calculate your conversion rate this way:

\[
\text{Conversion Rate} = \frac{\text{Second performance within a fixed timeframe}}{\text{First-time ticket buyers}} \times 100\%
\]

For example, the formula for an organization that has 500 first-time ticket buyers in a season with 184 returning for a second performance is:

\[
\frac{184}{500} = 36.8\%
\]

Now assess what you are currently doing to achieve that rate. Can you do better? What if you make it a goal to increase that rate by 10 percent in the following season? What does that look like in terms of incremental revenue?

Retaining ticket buyers and turning them into patrons is a process that you cannot ignore if your organization is to be both successful and sustainable. In the final
installment of this series, we will take a look at the third part of the pipeline: upgrading your patrons and creating patron loyalty. Ahead of that post, here’s another question to prepare you:

What percentage of your subscriber base also includes your donors?
The Most Important Marketing Questions
Your Organization Should Be Asking – Part III

We wrap up this series of blog posts on the most important marketing questions your organization should be asking by looking at the final part of the pipeline:

Attract + Retain + Upgrade = Marketing Revenue Success

If you missed the first two posts in this series, you can find them here: Part 1 and Part 2.

At the end of Part 2, we left you with a question to help you prepare to upgrade your patrons:

What percentage of your subscriber base also includes your donors?

This question is critical because it goes directly to the subject of patron loyalty. Patron loyalty goes beyond just supporting your organization with donations. If your subscribers aren’t supporting you with donations, you are losing out on an opportunity to deepen your relationship with them. You also run the risk of losing them from year to year because they may become more fickle about your organization’s programming.

Subscribers who are donors more often get involved in your organization beyond a financial commitment — they also become your volunteers, event committee chairs, board members, and vocal ambassadors for the organization in the community.

Let’s look at a real-world example. Let’s talk about coffee.

Upgrade

There’s a growing commitment in communities to support local businesses over chains. In the retail coffee shop market, Starbucks is the 800-pound coffee bean tree in the room. However, local shops in communities all over the country are flourishing despite Starbucks’ tremendous foothold. Why? Well, let’s look at the pipeline of a coffee shop.

Your single-ticket buyers in the coffee business are those people who drop by for a quick cup of coffee. Maybe they are traveling and need a pick-me-up to keep them going, or perhaps they are meeting a friend or colleague at the coffee shop for the first time.

Multi-coffee buyers, similar to multi-ticket buyers, come in a few times per month, maybe on the weekends while running errands. During this period, the staff of the coffee shop gets to know them by recognizing that they come in often. They may give a
discount on a cup of coffee, invite them to taste a new blend, or offer some other special feature. They may also ask for feedback on their experience or the quality of coffee.

Coffee subscribers, meanwhile, come in several times per week, are known by the staff, and always order the same thing. They talk with the staff and perhaps spend more time enjoying the atmosphere of the shop. They also schedule meetings and free time with friends at the shop as it becomes an extension of their home.

Coffee subscriber-donors do all the things that subscribers do, but the staff knows what the subscriber-donors want without having to be told; it is ready promptly and their name is spelled correctly on the side of the cup. Coffee subscriber-donors also leave their change from buying their coffee in the tip jar and then go out and tell everyone about this great coffee shop in their neighborhood!

In the above example, you can clearly see how the relationship moved from one of convenience to one focused on quality and experience.

Now, you may be reading this and thinking that there is no way some of your subscribers will become donors. After all, many subscribers firmly believe they are already donating to your organization by purchasing tickets to your performances. Persuading them to support you using the “real cost of a performance” argument won’t work. You are just wasting your breath. Although it is true that not every subscriber will become a donor, the more subscribers who support you with donations, the better. Let’s look at some ways you can deepen your relationship with subscribers and turn them into subscriber-donors.

As the editors put it in the seminal book *Achieving Excellence in Fundraising*, it all begins with “thank you.” You can’t ask for a commitment until you have earned it, and you do that by being grateful for the patron. Here are some excellent ways to deepen your relationship with your subscribers.

- I once worked for an organization whose staff stood at the exits of the theatre at the end of every performance and thanked patrons for attending. This behavior encouraged the patrons to stop and talk with the staff. Not only was feedback given, but this demonstration of thankfulness also resulted in increased donations as the staff got to know the patrons.
- Every year, pick a random group of your subscribers — those not currently your donors or otherwise involved in your organization — and meet with them. Ask them why they are subscribers and what brought them to your organization. Listen to their experience. Don’t try to sell them; just listen.
- Ask your subscribers to become involved in other facets of your organization. One organization invites subscribers who are teachers in their community to become involved in curriculum planning for the organization’s educational programs.
• Invite your subscribers to attend donor functions, such as special events with your artists.

This is just a small sample of the things you can do to get to know your subscribers.

You can also use your CRM system to look at affiliations between your subscribers and your organization. Some organizations make it a point to work with their board to review their subscription lists annually to find connections that can lead to deeper relationships. If your CRM system doesn’t offer this important functionality, then it may be time to look at some alternatives. Upgrading your patrons is a perfect example of when your customer relationship management system really needs to be capable of being a customer experience management system, too.

Some organizations have had phenomenal success at converting subscribers to donors. I’ve seen percentages as high as 75 percent. Take the time to really get to know your audience. Along with the staff of your organization, they are your most important asset. Remember, subscriber-donors will amplify their experience to their community in ways that marketing dollars will never reach. By spending the time to really connect with your subscribers, you will build relationships that will be rewarding and provide renewable and sustainable resources for the future.

Kevin Patterson is a Senior Account Executive at Patron Technology. He also hosts a podcast on the arts at 10toCurtain.com.