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## DEVELOPMENT & MARKETING

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## BUILDING AN ONLINE PRESENCE FOR LIVE THEATRE:

### EXPERIENCE FROM THE FIELD

BY JIM ROYCE

Dot coms. Dot gones. We're all hearing the anxiety in the tech industry about what types of business activities will succeed online. Those who set themselves up as Internet-only enterprises are having the roughest time. Others, who use the Internet as one of several channels or tools to deliver an offline product or service, are finding their online presence more productive. Many theatres across the country are looking for strategies that will enhance the company's work, extend the patron's online experience and significantly impact the box office.

It's becoming very clear that organizations and businesses with a history of solid customer service and quality product delivery will succeed online. There are already two major Internet enterprises among the long-term winners — investor services/stock trading and travel/entertainment ticketing.

Online investor services now account for more daily activity than ever before in the history of the New York Stock Exchange or NASDAQ. It is the real-time delivery of stock and company performance information that influences decisions and drives the trading volume on the Internet. No wonder we see such fierce competition to deliver useful news and key statistics that investors can trust. It is hard to imagine buying stocks "the old fashioned way" in 2001.

Today airlines average 14% of all sales, up from 9% last year (*New York Times*, July 2001), through online ticketing — and Southwest Airlines is the industry leader with 36%. Many companies are offering special incentives or spot discounts and related services like hotel and car rental reservations. Soon these sites will be adding comprehensive information about local events at the traveler's destination, including theatre. Behind the scenes, powerful computer systems and industry players are mining every potential customer service perk and enhancement that can influence a traveler's decision to purchase tickets and build brand loyalty. The systems are not perfect yet, but anyone who has purchased tickets online over the last three years will agree that the services are becoming more innovative and easy to use with 24/7 convenience.

Development & Marketing *Centerpiece* Curators: Roslyn Black, Director of Development, McCarter Theatre Center; Jim Royce, Director of Marketing & Communications, Mark Taper Forum/Ahmanson Theatre  
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Surveys show that over 70% of all travelers get to their destination before making final decisions about their entertainment options. Boeing is building Internet connections for travelers on its planes, and one of the online services offered will be information on cultural events at the passenger's destination. Wow — talk about a captive audience! How can I make sure my theatre's events are on that service? And how can I make it easy for that traveler to purchase tickets when he or she is flying at 33,000 feet over Iowa? We'll have to wait and see.

Good news for the arts and theatre? Online ticket sales are growing rapidly. Online transactions are becoming more convenient and the public's trust in the security of e-commerce is rising. Ticketmaster reported late last year that 23% of its single ticket sales were conducted online, with the largest percentages resulting from concert sales. Theatres across the country are reporting similar success stories. Our company's share of single ticket sales online has increased from 2% in 1998 to 15% in 2000 to nearly 20% in 2001. But hold on. What's getting people connected, engaged and buying?

## Build Strong Objectives into Your Online Strategies

If we just build a site, they'll find us. That strategy rarely worked offline, so why would it work for an online business? An online strategy must support real-world objectives and play a role in a company's marketing and communication mix. When drafting your own online strategies, consider the following points:

- ◆ First and foremost: a useful site must support the onstage and backstage work. Websites are a perfect forum for disseminating expansive information about productions, advocacy, mission, experiments and soliciting feedback.
- ◆ Online ticketing is a significant sales channel. Within the next few years, it could command nearly 50% of single ticket sales.
- ◆ The general public expects companies they do business with to have a website.
- ◆ Email is a cost-effective way to engage patrons with outbound promotions linked to inbound online sales.

## Who's Online and What Should We Be Paying Attention To?

Surfing the web is becoming a thing of the past. The "new toy" era is over for most Internet users. People are online for specific activities such as gathering information, conducting financial transactions and communicating with other people. The online population is no longer comprised of boys, techies and nerds. This spring, *PC Magazine* reported that 62% of the American public is connected on the Internet either at home or at work, up from 55% last summer. Our company's surveys show that more than 80% of our audience is online.

Seniors and women were among the fastest growing Internet user groups in the last 18 months. This is good news for many of the established theatres where there is significant patronage from

seniors and where 65% of the ticket buyers are women. Thanks to the easy user-friendly environment of America Online (used by 54% of our online audience), seniors feel comfortable online and with email. Who has the most time for cruising online? Seniors. Webmasters should be mindful that seniors purchase low-cost and low-powered computers, with slow 56K modems; and seniors are less likely to upgrade to faster machines or DSL. To accommodate seniors online, webmasters should make sure that their sites are as uncomplicated as possible, without add-ons like Shockwave and Flash, and that the site works smoothly on a slow computer with AOL.

For the Baby Boomers, Gen X and Gen Y who have built the Internet into their lifestyles, the news gets even better. Rapid information services are key for keeping this audience engaged. Searching the web is a hassle if the company or event they want doesn't pop to the top of the search list. Once these users get to a site, they want up-to-date information and the ability to drill down for more details.

## What Do Online Patrons Want?

Our company conducted surveys in each of the last three years. In order of preference, the findings were consistent:

- ❖ **Ability to purchase tickets and choose locations from an online seating map.** Customers want online access to the same seat availability at the time of purchase, whether they call or visit the box office — and in this day and age, they should have it. Customers may even spend time searching various performances to get the better seat. Currently only a few websites offer seating maps ([www.SeatAdvisor.com](http://www.SeatAdvisor.com)). Other sites (Tickets.com and Ticketmaster) pick and show only the "best available" seats for purchase. In the future companies, such as Intellitix (Atlanta, GA), expect to have fast-loading webpages showing maps of all available seats. As an industry, we need to band together and demand better customer service options from our online ticket software or service providers.
- ❖ **Comprehensive information about productions and events.** Patrons are willing to read more than standard 75- or 100-word descriptions about productions. In fact, they are demanding it. Companies engage the patron by providing more background, study guides, photos and posting the "house program" online. Even 30-second video clips of productions are currently permitted by Actor's Equity Association to be posted online. We all need to take a clue from the online stock trading industry — quality information fosters investment.
- ❖ **People want email.** Contrary to the naysayers, the majority of people want email from the businesses that they trust, but they want control over what comes to their inbox. Technology allows users to customize their interactive experiences — to make choices about where they receive email (many people now have more than one email address), to indicate preferences for email subject matter, and to opt-out of receiving future email at any time. Our company's surveys have clearly shown that patrons like receiving

breaking news or getting a special perk or accessing tickets before the general public. And why not? Email broadcasting is easy and virtually free, but there are a few key considerations:

- ◆ Establish a clear privacy policy and post it online. It will soon be mandatory by law, so now is the best time to put a policy in place if you do not have one. Privacy policies are easy to find online and to adapt for your company's use.
  - ◆ Permit the patron to un-subscribe at any time, and make it easy to do so.
  - ◆ Don't trade your email list with another company. It's okay for you to send an email to your list with a link to the other company's site and vice versa. In fact, your patrons (or theirs) may appreciate your recommendations.
  - ◆ Broadcast regularly, but not too frequently. Many people hate getting the weekly newsletter. But don't disappear for a month either. People will forget they subscribed to your list if they don't hear from you. Find a schedule that works for you and your patrons.
  - ◆ Keep email messages as short as possible with links back to your site for more information. People respond better to a brief email.
  - ◆ For now, use plain text rather than HTML for composing email. Most computers still use slow modems. A patron can become angry if he or she did not anticipate downloading a large graphic file to his or her inbox. In the next two years, sending graphic files will become much simpler and faster.
- ❖ **Surprise people with features or services they would not expect.** Most patrons will trust your company's recommendations for attending other theatres, purchasing books, making dinner reservations or providing links to other general information or educational sites. I would also make the following suggestions:
- ◆ Set up a webpage to support your company's gift shop.
  - ◆ Links to Amazon.com. It is easy to link specific books, scripts, CDs, DVDs, or video tapes to your website. Amazon.com handles all aspects of product sale and will pay you 5% of each transaction (check out the Associate's program at Amazon.com). You probably will not see much revenue, but your patrons will appreciate the choice in service whether they use it or not.
  - ◆ Many patrons want to know where to find information about specific subjects directly related to or associated with the work onstage. Dramaturgs or literary managers are great resources for finding links. And if your company is presenting any work by Shakespeare, the number of quality links is astonishing.
  - ◆ Information services are terrific customer service tools. Create a recommended restaurant list, or link to another site that maintains a good list of local restaurants like the Chamber of Commerce. MapQuest.com has easy-to-use map services to provide patrons with directions to

your events. Some cities support online freeway maps showing traffic congestion to avoid while on the way to the theatre.

## Promotions: Driving People to the Site

Building a website is expensive and time consuming. You want visitors. Lots of them. Getting visitors to your site is not as difficult as you may think. In general, the same tried and-true techniques for building awareness is true for the Internet: advertise.

Maintain high visibility for the site. Our company's site averages between 65,000 and 75,000 actual visitors per month and has spiked as high as 105,000. Online statistical software, such as Web Trends, can monitor what users are doing while visiting our website. The reports can't tell us who was there, but they can tell us just about everything else about what the users did on each visit, from pages visited to how long they were on the site, from what they typed to get there to the exit page and much more. Less than 5% of the patrons find the site by using a search engine, while the majority or 95% type in one of our URL addresses. Our URL address is always in the same font size and position as our phone number in advertising, direct mail and all promotional materials. Most come to purchase tickets or find information about specific performances.

The Mark Taper Forum and its sister theatre, the Ahmanson, has an email list of 53,000 people. It is growing at the rate of about 1,000 to 2,000 email addresses per month. Roughly 75% of the addresses are collected by our box office and phone staff at the time of sale. The rest of them come through people signing up on our site or entering our online "Win Tickets" promotions.

Webmasters may need to consider multiple URL addresses, especially if the company's name ends in "theatre." From our online reports, we see an almost equal number of people typing in AhmansonTheatre.com as AhmansonTheater.com. Our company maintains eight URL addresses all pointing users to the same home page. I also recommend capitalizing long, multiple-name addresses — they are much easier to read: www.MarkTaperForum.com versus www.marktaperforum.com.

## The Future of the Internet: Customer Service Management Is Objective ONE

In the future, online customer service will become even better, but we must collectively put pressure on our ticketing software and service providers to deliver the enhancements. Marketing and Sales Directors should take the lead by compiling new online sales features to which the public will be responsive. Aggressively pitching software providers at the time of upgrades or at the annual INTIX Conferences can help. Some features we can implement today, on our own. Others will require major ticketing software upgrades that will allow richer interfaces with our box office systems. Online promotional or sales ideas are endless...here are a few.

- ❖ **Email Post Cards.** Production photos can be posted online with a button next to each one. Site visitors can click the button and send the photo to friends.

- ❖ **Restaurant Reservations.** Few restaurants are capable of handling email effectively. But they all have fax machines. After purchasing tickets online, the thank-you webpage should provide links to restaurants and hotels and allow the user to make online reservations. The system should then send an automatic fax to the restaurant manager and he or she can follow up with a confirmation.
- ❖ **Account-based Online Sales.** For many theatres, online ticket sales means outsourcing the service to an outside business and usually the seats are not prime, or even the best available locations. For other theatres with direct links between the site and an internal database or “backend,” the level of service is often limited to full-price sales. Future ticketing software should allow a full range of ticketing options.
  - ◆ Online access to best available seats in real time.
  - ◆ Ticket exchange for subscribers and donors.
  - ◆ Discounted tickets “authorized” by a key code or access number.
  - ◆ Group sales. An automatic discount or perks for volume purchases.
  - ◆ Travel agents. Permitting tickets to be packaged with hotel reservations.
  - ◆ Concierges. Allowing a commission for tickets purchased.
  - ◆ Subscription ordering *and* renewal.

Amazon.com is a good example of a company that uses account-based online sales. Based on profiles filled out by the user, Amazon.com sends “personalized” emails for birthday and anniversary discounts, gift certificates and free packaging for

special occasions.

- ❖ **Sponsor or radio and television tie-ins.** Sponsors are anxious for promotional tie-ins with their own websites and events. Theatres can get free or low-cost placement on corporate or media websites by allowing special sponsor-related discounts or access to tickets in advance of the general public.
- ❖ **Target Marketing.** As database-driven websites become more common, our ability to target patrons and potential patrons with email will become increasingly more lucrative. However, privacy issues will continue to be the topic of much debate as federal and state legislation comes down the pike. Personalization will be more critical to build patron affiliation and loyalty.

The Internet is a tool for delivering effective communications and motivating sales. As Internet browsers and email software become easier to use, the web will be as indispensable as the morning newspaper. Like the newspaper industry, theatre companies must develop a keen Internet strategy to keep the public’s attention engaged. Moreover, organizations that fail to develop their skills for using the Internet or adapt to the new communications techniques email has to offer will be seriously left behind. Fortunately, theatrical organizations are in a perfect position, right now, to take advantage of the current consumer trends toward purchasing tickets and gathering information for their entertainment investments.

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# CLAIROL MARKETING THROUGH EMAIL

BY LEE WOCHNER

Several years ago there was a television commercial that featured a woman bragging about how great her hair dye was. She then said that she told a friend about it — and the screen split to show two images of her — and each of them told two friends (and the screen split again), and then, the original woman said, “and so on and so on and so on” until the screen split into what seemed to be infinity, all filled up with users of Clairol.

Welcome to the world of Clairol marketing. Others may call it “viral marketing,” but that sounds far too sinister for what it actually is — a pass-along marketing effort that asks friends to recommend to friends.

Clairol marketing has a high degree of success because, as every marketing study shows, people act on the advice they receive from trusted friends. In the theatre world, we call it “word of mouth.” If you’ve got bad word of mouth, no amount of advertising, publicity or snake oil is going to save your show. If you’ve got good word of mouth, these efforts will build upon each other.

When it comes to Clairol marketing, there is no more exciting method than the Internet. That’s because the Internet is fast, cheap and, if used sensitively, friendly. Here’s how fast “fast” is:

One day in January, I drafted an email that encouraged users of Theatre LA’s online half-price ticketing service,

WebTix, to join Theatre LA as individual members. The email included text that read “now that you’re a WebTix user, please click **HERE** to join Theatre LA.” The word “**HERE**” was a hyperlink to the “join now” area of our website. I mentioned the fabulous membership benefits — a year’s subscription to our full-color, bimonthly magazine, LA Stage, some free theatre tickets and our undying gratitude — and made sure to personalize the campaign. (People forget the Internet is personal: to keep this in mind, I like to refocus now and then on the Clairol lady and her friends.) It took me about five minutes to draft the email and about one second to send it to our email list of WebTix users (then numbering about 5,000).

We then took an office pool on how long it would be before we got our first hit. One bet was two hours, one was two days, one eternal optimist said “never” (someone who is no longer on staff), and the guy who had built the WebTix system for us said, famously, “Five minutes.”

Like everyone else, he was wrong. It took two minutes.

Within hours, Theatre LA had 51 new individual members at \$35 each. A total of \$1,785 in new dollars for five minutes of my time. We repeated the experiment — and its success — two weeks later, pulling in over 50 people who had somehow failed to heed the call to arms the first time.

Clearly, the possibilities of Internet marketing to increase relationships, donations and attendance are exciting. They’re also possible for EVERYONE. If you are reading this, then your theatre can do this, no matter what your budget size is. Check with your Internet Service Provider (ISP) about e-commerce for your site if you don’t already have it, because you want this to be as simple as possible. People need to be able to click and buy immediately, whether it’s tickets or gifts or goodwill (donations). I know that EarthLink, for instance, can get you set up with e-commerce for about fifty bucks a month. Asking your potential audience to call you or mail in the check defeats the ease of the Internet as well as its secret hidden bonus: My personal experience has convinced me that the rank-and-file user is likely to spend more via the Internet than via his or her checkbook. Most people who send us a check to join Theatre LA send in \$35. Most people who join through our website (as opposed to through that targeted email campaign) join at \$150 or above. The reason for this is simple: There doesn’t seem to be any “money” involved. I’ve bought many things through the Internet and it all seems so virtual. An offer comes up on a screen and asks me to type in my credit-card

number. Where’s the cash? There isn’t any.

Starting a Clairol marketing campaign via email is easy. First, collect your patrons’ email addresses. This may seem obvious, but on Monday night I’m speaking at a board meeting for a member theatre that, in its 40 years, has never developed a mailing list (!) let alone an email list. Ticket buyers, patrons, donors, subscribers, sponsors, board members and volunteers should all be invited to list their email address.

If you don’t already have e-commerce, get it set up. If no one on staff has the technical know-how, ask your volunteers. Someone will be happy to do it. At the theatre I co-founded we were fortunate to have a person from Universal Studios set it up for us. Ask about a listserv, which allows people to subscribe — or unsubscribe — from your email list. Your ISP should be able to help you with that as well.

Draft a trial email and send it only to yourself. In that email, remember that your theatre was built through relationships and that patron relationships are important, so be friendly and direct. If you don’t feel personally welcomed and invited to participate when you open and read the email, then you probably want to redraft it. (Larger institutions may feel differently about the level of personalization, but for smaller ones, what I’ll call Mom and Pop theatres; this is crucial.) Whatever action it is that you’re asking people to take, whether it’s to buy tickets online or to make a donation to a special campaign, make sure that you create a hotlink directly to the “purchase” page of your website that works.

If you want to sell tickets online and aren’t currently set up to do that, I can recommend SeatAdvisor, Inc., without hesitation. Our partnership with SeatAdvisor continues to provide a seamless, efficient way for us to sell

thousands of tickets at Theatre LA. Best of all, SeatAdvisor will set you up at no cost (they get a small convenience fee from tickets sold), and will allow you to control all of your inventory very easily from your own computer. SeatAdvisor will do it all under your website using your theatre’s name — which cements patron relationships. Visit the website at [www.seatadvisor.com](http://www.seatadvisor.com).

Lastly, make sure your email offers people a way to un-subscribe at the bottom (so they don’t think your email is spam), and encourage people to pass it along to friends and family. Just like the Clairol woman.

A regular program of emails that not only saves trees, but also increases responses could include show announcements, a newsletter, a yearly donation drive and a quarterly special campaign. Visit [www.handspring.com](http://www.handspring.com) or [www.apple.com](http://www.apple.com) and sign on for their weekly e-newsletters, both of which I think are very effective. Apple has built an extremely successful retail location here in L.A. almost entirely through its email newsletter.

San Diego Rep’s Marketing Director, Jackie Hammel, recently experimented with a “call-to-action” email with a “forward to a friend” message for a special performance. The Rep found that a full 50% of the ticket-buying respondents were not on the original email list. In other words, they had been told by a friend... and so on... and so on... and so on. Imagine the friend of a friend of a friend in every one of our empty seats next season. That’s a vision I hope we all share.

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# GETTING THE SPIN TO WORK THROUGH EMAIL

The Internet is fast becoming a communication tool for reaching large, special-interest groups. We learned in Los Angeles, for instance, that almost 100% of the deaf community is connected to the Internet and accessible through a variety of listservs. At the recent TCG National Conference in Philadelphia, two theatre staffers spoke about their successful use of the Internet and email blasts for recent productions.

**Donna Walker Kuhne**, Director of Community Affairs at the **Joseph Papp Public Theater/New York Shakespeare Festival** in New York City, wrote about a recent success story:

We expanded our use of the Internet as a marketing tool on our recent production of *Dogeaters* by Jessica Hagedorn. This play, which takes place in the Philippines during the 1980s, is written by a popular and well-loved playwright particularly in the Filipino, literary and academic circles. We realized that many of the potential audience members were heavy Internet users and collaborated with our graphics department to create several visual pieces that we could email to targeted lists. One of my associates is a Filipina and she has worked very hard to establish relationships with cultural leaders, organizations, academics and college professors over the past few years. Additionally, there are many individual supporters of Asian American theater who are active within their own circles and theatre groups. In New York City, there are several Asian American theatre companies with which the Public has ongoing relationships. They were happy to provide contact information for their constituents and to forward email blasts about the production. Most importantly, we started our efforts three months prior to the first performance in order to create a buzz about the show through email and direct mail.

The offer on the Internet was a menu of activities that allowed audience members to taste excerpts from the show and/or meet the artists (one of the actors featured in the production, Joel Torres, is a film star in the Philippines and his films are also available as videos.). This included performances in Joe's Pub, readings in local bookstores, numerous question and answer sessions following performances and panel discussions at the Public, New York University and various Asian American cultural organizations. It allowed audience members to experience an aspect of the production in their communities — for free — before committing to a full theatre experience.

We supported the Internet effort with massive flyer distribution, specifically in Filipino neighborhoods, including video stores, churches, grocery stores and restaurants in the New York Metropolitan area.

The results of this effort: our department generated over 35% of the total box office income, which represents a combination of group sales and single ticket discounts. To date, it was the most successful effort we have had with an Asian American production. The new group leaders and cultural leaders have been folded into the Public Theater family and have been attending other shows — including our Shakespeare productions.

*Donna Walker-Kuhne can be reached by email at: commaff@PublicTheater.org. The Public Theater's website is www.PublicTheater.org*

**Ann Ciccolella**, Managing Director of the **Zachery Scott Theatre Center** in Austin, Texas, talked about her company's recent production of *JOUÉT LIVE: Her words. Her music. Her story.* ([www.jouetlive.com](http://www.jouetlive.com))

Jouét is an international performer. The framework of the performance event is that the show is being broadcast live over the Internet with Jouét setting up a camera that is focused on the audience and projected on stage. The audience believes the entire performance is being broadcast over the Internet.

The Zachery Scott company extended the charm and attraction of the show in several promotional efforts. Email broadcasts were designed to create a certain buzz around this particular event and the feeling of a spoof or a game enhanced publicity. The results were surprising to the staff.

Nearly 20% of the audience response was generated by the website and email broadcast. It seems that many of the audience members were part of the local concert scene. And for some reason, still unknown, a surprising number of older people were attracted through the Internet promotions.

Is the still resonating promotional success of the film, *The Blair Witch Project*, possible to replicate for the theatre? Yes and no. Choosing work that coincidentally appeals to people who use the Internet as an entertainment medium creates good promotional synergy. A more recent dance piece that was promoted online did not have the same response.

Ann hopes to build the company's "Zmail" list into a powerhouse that could potentially rival local newspapers in its responsiveness.

*Ann can be reached by email at [ann@ZachScott.com](mailto:ann@ZachScott.com). Zachery Scott Theatre Center's website is [www.ZachScott.com](http://www.ZachScott.com). Jouét may be seen at Actors Theatre of Louisville, July 10 through August 12, 2001.*