



CASE STUDY: Best Practices
**Atlanta Shakespeare Company Increases Capacity
by Successfully Targeting New Customer Groups**

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I. Background

Organization Name/Location:	Theatre group: The Atlanta Shakespeare Company Venue: The New American Shakespeare Tavern Atlanta, GA
Website URL:	http://www.shakespearetavern.com
Founded:	1979
Year incorporated:	1980
Annual budget:	\$444,648 (1998) \$658,808 (1999)
Annual attendance:	28,041(1998) 32,152 (1999)

Mission statement:

For more than a decade the Atlanta Shakespeare Company has been the only year-round professional theatre in Georgia consistently presenting the greatest classics of world literature during the academic school year. Inspired by the Elizabethan theatrical principals, ASC is dedicated to performing "authentic" productions of world classics in its own Elizabethan playhouse known as "America's only Shakespeare Tavern®" By performing in an intimate, casual Tavern setting with productions filled with hand-made period costumes, live Renaissance music, live Elizabethan sound sculptures, and actors who are not physically close to the audience, but are trained to acknowledge the presence of an audience, ASC makes the classics accessible and fun.

II. Description of Project

Located in midtown Atlanta, Georgia, the Atlanta Shakespeare Company (ASC) is a theatre group that performs the works of Shakespeare (an average of eight full-length world-classics per year, in addition to an average of four full-length children's plays a year) at its venue, the Atlanta Shakespeare Tavern®. From 1995 to 1998 ASC consistently performed for sold-out houses. In 1999 Company management decided to undergo a \$1.2 million renovation of its venue to increase the capacity from 150 seats to 250 seats. With this opportunity the organization faced a new challenge: how to fill the additional 100 seats?

In its past marketing efforts, ASC targeted high school and college students, groups that made up almost one-third of its total audience. Many of its other customers were adults who came from suburbs located north of Atlanta.

As a selected participant in the National Arts Marketing Project's 1999 Advanced Audience Development Training & Granting Program, ASC began the marketing planning process, starting with the **situation analysis**. The situation analysis is a three-stage marketing tool for examining the organization. It consists of the environmental analysis, competitive analysis, and internal analysis.

In the **internal analysis** (also known as the "SWOT analysis" for "**S**trengths-**W**eaknesses-**O**pportunities-**T**hreats) the organization builds off of information gathered in the environmental analysis and the competitive analysis and looks at:

- External opportunities that it might use to its advantage
- External threats that might stand in the way of growth
- Internal strengths
- Internal weaknesses

By conducting an internal analysis, ASC uncovered **threats** (customers' perception that the Tavern was located in an unsafe neighborhood due to the location of a homeless shelter a few blocks away) and **weaknesses** (outdated information in the organization's database) that the organization had to overcome in order to successfully market itself.

The internal analysis helped ASC use its **strengths** to define its unique selling points, answering the question: *in the eyes of its customers, what makes it different from the other Shakespeare theatres in Atlanta?*

ASC shows a total commitment to Elizabethan aesthetic theatre. All actors perform in costumes of the original Shakespearean era.

ASC performs all its plays in America's only Shakespeare Tavern® **where a complete "English" experience is created for customers.** Visitors can enjoy the Bard's plays while eating from a menu inspired by English tavern fare and drinking imported British ales.

The Shakespeare Tavern and ASC's productions are **accessible to all customers**, whether the customer is wearing jeans or a suit.

The internal analysis also revealed the following **opportunities** for ASC:

Atlanta's Chamber of Commerce was recruiting "industries of the mind" (computers and technology, for example) to relocate in Atlanta. The college-educated, highly trained workforce of these industries was younger than the average Atlanta resident. Classified as members of Generation X (or *Gen-Xers*, for short: individuals born between 1965 and 1977) these new residents caused an age-shift in the general population. To attract these new Gen X residents to the city, the local business community was in the process of revitalizing the downtown area by building new apartments and condominiums.

Market research showed that **Gen-Xers seek out unique, fun experiences** that they can participate in with their friends

In 1998-1999 the movie ***Shakespeare in Love* was hot at the box office** and was receiving a lot of Oscar-worthy buzz for the Academy Awards that year. The public's interest in Shakespeare was heightened as well.

The combination of the sharp rise in numbers of Atlanta's resident Gen X population and the renewed public interest in Shakespeare and his works provided a stellar opportunity for ASC to market its organization to new target customers.

Based on its research the organization decided to target the following groups:

- Generation Xers

- New residents (both Gen X and older residents age 35-50) moving into downtown Atlanta

- Employees of the nearby Bank of America building (taking advantage of the theatre's location at the edge of the downtown area.)

III. Strategy and Implementation

Atlanta Shakespeare Company used the same overall approach to product and positioning (branding) strategies for all its target groups.

It showed that the Company and the Tavern were accessible to all:

- Highlighting the fact that customers can wear casual clothes, eat and drink from a traditional English menu and be together with friends to watch the play
- Offering a complimentary one or two page synopsis on each play to make productions more understandable for the average person.

Target 1 - Generation X

Promotion - To efficiently target Gen Xers ASC partnered with an organization that also targeted the same demographic group. A local radio station, 99X offered a promotion geared towards Generation X listeners: participants in the free-of-charge **Freeloaders program** receive a card that could be used for discounts for local entertainment and dining facilities. ASC marketed each of its productions through the *Freeloaders* program.

Each participating business in the *Freeloaders* program paid \$2,200 a month and received:

- One half-page ad in ASC's monthly magazine
- Radio spots throughout the month on 99X
- Listings on the station's hotline and Web site

Price - Gen Xers are well aware of the fact that companies are trying to do just about anything to get their money. Offering a discount to them proved an excellent way to get their attention. This price strategy offered 2 for 1 tickets to each "Freeloader" that showed his or her card at the Atlanta Shakespeare Company box office—this allowed the company to capture customer data (for use in future marketing efforts).

Promotion - Strong photographic images from Atlanta Shakespeare Company productions were used for the ads, including an image from *MacBeth*, in which the main character appears to be dripping in blood (see page 6).

Target 2: New residents of Atlanta

Through research, the organization discovered found that many young professionals who were moving to downtown Atlanta were not coming to the Shakespeare Tavern, simply because they did not know that ASC existed. ASC decided to target its marketing efforts to residents living in apartment buildings within a two-mile radius of the Shakespeare Tavern and to the new residents of a northern suburb where it already had a large following.

Place/Promotion - ASC placed a feature article (which proved to be more effective than a typical advertisement) in *Newcomer* magazine, a publication targeted towards new area residents.

Place/Promotion - ASC sent mailings out to specific targeted areas of new residents.

Target 3: Employees from the Bank of America (located one block away from the Shakespeare Tavern)

Price - As a "thank you gift" in recognition of Bank of America's support of Atlanta Shakespeare Company's season, Bank of America employees received a flyer that offered 2 for 1 tickets to the bearer.

Place - To increase the organization's visibility banners were hung on both sides of the Shakespeare Tavern's street.

Promotion - ASC bought radio spots on a radio station that had a large following of Bank of America employees.

In the month of August, which is typically a slow month (only 30-60 customers each night), ASC also wanted to increase attendance by all three target groups.

According to the situation analysis:

- Most Atlanta residents plan their budgets for the upcoming year in August, so this month presented a good opportunity to sell discounted tickets to people who might be hesitant to attend ASC at full price.
- Many tourists visit Atlanta in August.

Promotion/Price - Informed by this data ASC decided to launch the "August Threepact: three performances per week from ASC's past season were offered for only half-price.

IV. Results

Prior to Atlanta Shakespeare Company's participation in the National Arts Marketing Program, its managing director handled marketing, PR, press *and* fundraising. The implementation of new marketing strategies made an impact on the internal structure of the company. In order to implement the strategies and tactics outlined in the marketing plan, ASC hired another staff member to take over some of the marketing duties. Additionally, the organization's marketing costs almost doubled. However, the money and effort put towards targeted marketing yielded worthwhile results.

Atlanta Shakespeare Company increased its total earned income by 30.3% the first year (2000) and 35.2% the second year (2001).

The total attendance increased by 4,111 persons the first year and 10,573 the second year.

The Freeloaders program has resulted in an increase of attendance by Gen Xers by 1,219 people.

It is difficult to measure how many people attended ASC due to the feature article. However, throughout the first season there was an average of 40% first-time customers.

ASC was able to attract 208 of the 2000 Bank of America employees targeted.

For the first time in ten years ASC experienced full houses in the month of August.

On average, the August "Threepeat" attracted 250 people per night (compared to the typical 30-60 customers without the "Threepeat" promotion).

The average audience during the "Threepeat" promotion consisted of the following customers (roughly 60% of these customers were Gen Xers):

20% Tourists

20% "Bargain shoppers"

15% People who wanted to check the Shakespeare Tavern out, but who were hesitant to pay full price

45% Repeat customers

V. Conclusions

ASC successfully increased its capacity by 67% by implementing the following:

Target segmentation is key. No arts organization has enough resources to speak to everyone in its market. Marketing efforts are more efficient and more effective if you focus on the target group that is most likely to come and participate in your arts activities, conducting research to understand both the target group's motivations for participating in arts activities and their barriers to participation. ASC's success was due in part to defining three target groups and marketing successfully to all three of them.

The purpose of market research is to **gain insight into the behavior of your customers**. Through research, ASC discovered that a significant number of people were coming to live and work in downtown Atlanta.

Apply your marketing planning lessons to all aspects of the organization. ASC learned to be pro-active rather than reactive: the organization composed its message in a language appropriate for and accessible to its target customers and put together a timeframe for its media plan.

Visual images are more compelling than plain copy. —>

Make an effort to use strong visual images in your organization's promotional materials (ads, posters, brochures, mailings). Eye-catching images can make a big impression particularly when targeting groups like Gen X and Generation Y.

Know your organization, inside and out.

Conduct a Situation Analysis, which includes the Internal or "S-W-O-T" analysis, which determines your organization's internal strengths and weaknesses and its external opportunities and threats. Identifying reasons for the August sales slump helped ASC directly address the issue with the August Threepact.

Define the selling points that describe your organization and distinguish it from the competition

(other arts organizations—and other forms of leisure activities). For ASC customers, three things that make the ASC experience unique are: not having to dress up, being able to eat and drink in the Tavern and experiencing authentic Elizabethan theater. By placing emphasis on these unique selling points in its communications efforts, ASC drew new audiences to the Shakespeare Tavern.

