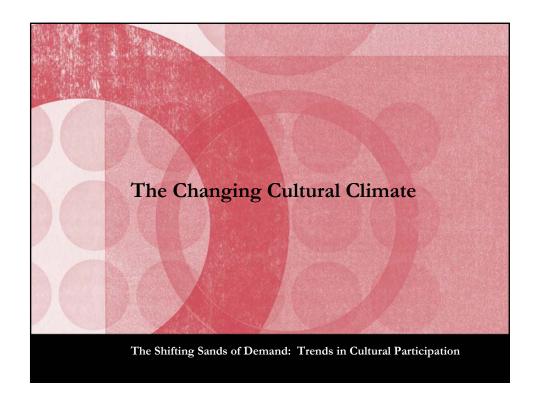




### **Outline**

- 1. Changing Cultural Climate
- 2. Changing Consumer Behaviors
- 3. Changing Patterns of Participation







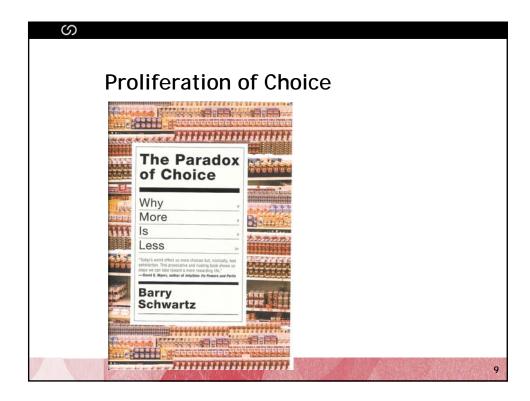




#### Demand for more stimulation

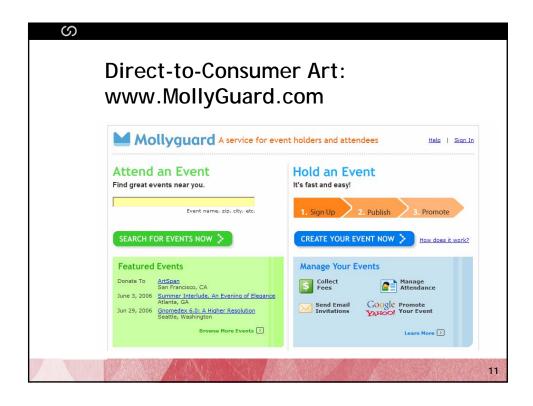
- Younger consumers are acclimated to multisensory engagement
  - Watching, hearing and reading simultaneously
  - Lighting at popular music concerts
- Experience learning, interactivity and edutainment
- Higher satisfaction thresholds
  - Expectation for immediate rewards and validation





#### **Proliferation of Choice**

- Overwhelming number of leisure options in some markets
  - Glut of information about options
- Challenges our cognitive abilities
  - Cognitive chunking is the brain's response
  - Decision paralysis is likely
- Particularly troubling for arts groups with many diverse program offerings
- Implies greater need for "filters"
  - Unbiased recommendations, "guide to use"
  - "Ironically, customers don't want choice, they just want exactly what they want." B. Joseph Pine



Diffusion of Cultural Tastes

• Fragmentation and diversification of tastes, both narrowing and broadening

• Cross-cultural influences

• Enabled by advances in technology

• Global distribution at the speed of light

• Example: Impact of the download phenomenon on music preferences worldwide

• The net effect is rapid aesthetic development

• More people enjoy more different kinds of art

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## Definitional Boundaries Around the Art Forms have Blurred

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# NEA: What was the last "classical music" concert that you attended?

DISCIPLINE	NAME OF PERFORMANCE/PERFORMER
Classical Music	CHINESE COMMUNITY CELEBRATION IN SF BAY AREA
Classical Music	TITO PUENTES
Classical Music	MUSIC IN THE MOUNTAINS, PAUL PERRY DIRECTOR
Classical Music	THE MUSIC MAN
Classical Music	MASTERWORK CHORAL
Classical Music	RUSSIAN CLASSICAL MALE SINGER
Classical Music	MOOREHOUSE COLLEGE AND SPELLMAN COLLEGE
Classical Music	PACIFIC OPERA HOUSE
Classical Music	COMMUNITY BAND FOR THE ELDERLY
Classical Music	THE STOMPERS
Classical Music	SHOWBOAT WITH TOM BOSLEY
Classical Music	ENGLISH CHOIR GROUP ABBEY SINGERS
Classical Music	CHURCH ORGAN PERFORMANCE
Classical Music	AN EVENING OF OPERA, PAUL PLISHKA
Classical Music	KING AND I
Classical Music	OLIVER
Classical Music	PIANO RECITAL
Classical Music	CHRISTMAS MUSIC
Classical Music	ORGAN RECITAL, BACH PRIMARILY

### NEA: What was the last "opera" that you attended?

	T
DISCIPLINE	NAME OF PERFORMANCE/PERFORMER
Opera	LUCIA DI LAMERMOOR
Opera	LA BOHEME
Opera	LES MIZ AND PHANTOM OF THE OPERA
Opera	BRIGADOON
Opera	CINDERELLA
Opera	PHANTOM OF THE OPERA
Opera	PHANTOM OF THE OPERA
Opera	MADAME BUTTERFLY
Opera	PHANTOM OF THE OPERA
Opera	I PURITANI
Opera	IT WAS ON BROADWAY
Opera	PHANTOM OF THE OPERA
Opera	FAUST
Source: NEA 1997 Surey of Public Participation in the Arts	
Verbatim responses to open-ended questions	
Excerpts only	
Ma explementation of	

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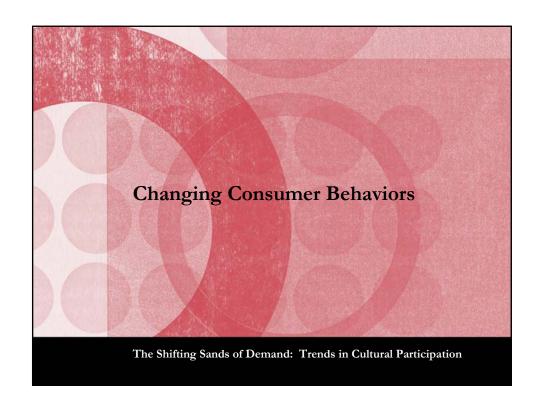
## Definitional Boundaries Around the Art Forms have Blurred

- Consumers experience art along a continuum from "popular" to "high art"
  - What is dance?
  - What is classical music?
  - Whose definition matters?
- Rapid "remixing" of art, re-purposing of content
  - Slash fiction
- Consumers don't put us in the boxes we put ourselves into
- Decreasing relevance of institutions that use a narrow or rigid definition of art



#### **Evolution of Cultural Norms**

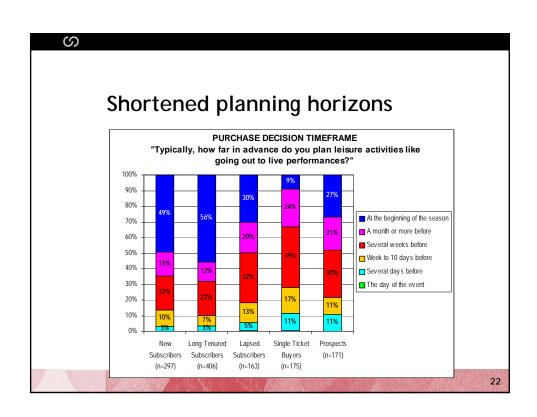
- From "snob" to "omnivore"
  - Richard Peterson, Vanderbilt University
- Shift in ideal: from fine arts sophisticate to world cultural citizen
  - A new kind of cosmopolitanism
  - Desire to make sense of the complicated world we live in
- Increased access to the art and artists of diverse cultures
- Inevitable move towards one highly interconnected mosaic of global cultures





### Shortened planning horizons

- Decline of advance commitment
  - Exceptions are highly desirable products, when scarcity is an issue
- Increased premium on flexibility, as lives get more complicated
  - Keeping options open until the last minute
- Enabled by the availability of "perfect information" online
- Evidenced in later and later sales patterns for arts presenters
  - Inconsistent with subscription marketing



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# Some consumers don't want to play the hierarchy game

- Each cultural institution values its biggest spenders/donors the most; perks abound
- Not everyone wants to "get married" to every institution in their community
  - Can we just date?
- Will people pay a premium for buying late?
- How can we facilitate and encourage <u>infrequent use</u> and <u>late buying?</u>
  - Cooperative marketing solutions are implied

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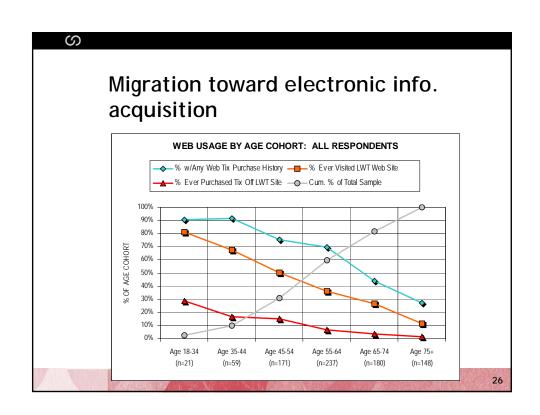
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#### Increased demand for convenience

- Low threshold for opting out
  - Attractive, convenient alternatives
- Less willingness to drive, fight traffic
  - More at-home entertainment options
- Slow shift in population away from arts facilities in urban centers
- One response is venue diversification
- Looking forward, the challenge is being relevant to people in a range of settings

#### The new calculus of risk and reward

- Less willingness to take risks, more willingness to pay large sums for a guaranteed "home run" experience
  - Evidenced by blockbuster phenomenon
  - Super-premium price points on Broadway
- Consistent with a pervasive trend towards "trading up"
- The rise of VIP culture or "the massification of luxury"
  - Creating the reality or illusion of exclusivity, status, prestige
  - The more everything becomes accessible, the more some people want to be separate
- Suggests demand for value-added, premium arts experiences



#### Increased reliance on word-of-mouth

- Reaction to glut of information online
- Lower consumption of traditional media
  - Fragmentation of the media
  - Proliferation of personal communications technologies
- Hunger for "unbiased" information
- Proliferation of online Word-of-Mouth tools
  - Peer-to-peer, viral marketing tactics
  - evites.com, ORBIT online invitation tool
  - Reminder services

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## The Online Social Networking Phenomenon

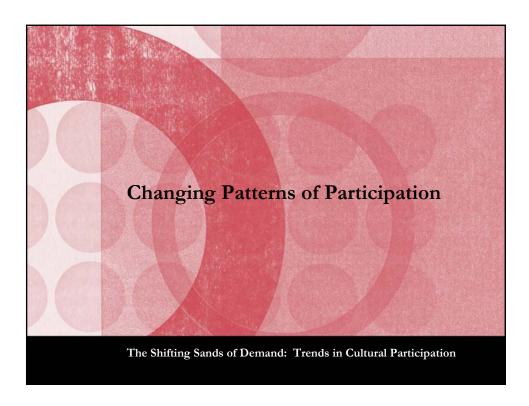
- Proliferation of online social spaces
  - MySpace.com, Friendster.com, Care2Connect.com, CrowdFactory.com, Tribe.net, LinkedIn.com, Gather.com
- To learn how arts groups are using these technologies, see TechSoup.org
- Concurrent rise in real life social networks
  - Book clubs, film clubs, play groups
  - The Cellular Church





### Growing awareness that social context drives arts attendance

- Who do I want to spend time with?
- Absence of social context is a major barrier to participation
  - Examples: spousal taste discordance; new to the area
- People construct all sorts of social groups around arts experiences
  - Groups of co-workers, college alumni groups, church groups, small family groups, friendship groups
- We are in the business of creating social experiences for people, a part of which is art
- New emphasis on personal, direct selling



# The rise of personal creative expression

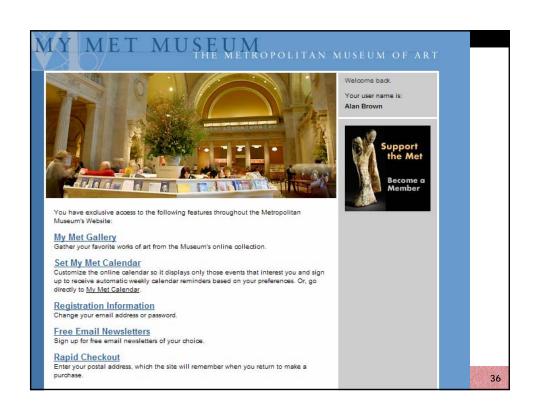
- The tools of everyday creativity: the living arts
  - Gardening, cooking, decorating oneself, designing attractive living spaces, collecting art and objects, writing letters and diaries
- · Mostly self-directed, home-based
- Add to this the user-generated content phenomenon
  - CafePress.com: "Shop, sell or create what's on your mind"
  - Flickr.com: "Store, search, and share your photos"
  - YouTube.com: "Broadcast yourself"
- Off the radar map of most funders and arts institutions
  - A giant value disconnect

# Trend towards more customized experiences

- Deeply embedded in today's consumer environment
  - "Mass customization" or the "one-to-one future" in which every consumer gets unique treatment
- A generation of consumers are accustomed to getting what they want, when they want it, where they want it
  - iTunes, NetFlix, TiVo, digital cable, satellite radio







# More demand for active engagement opportunities

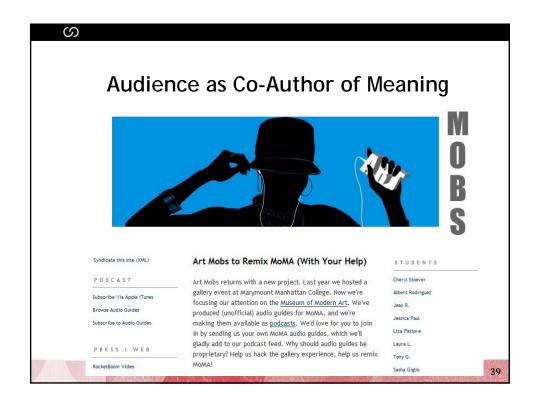
- Consumers are demanding more intense, more meaningful experiences
  - We are entertaining a generation of experience learners
- Evidenced in higher rates of "personal participation"
  - The rise in amateur art making, art collecting (e.g., home-made music recordings)
  - Part of the "Pro-Am Revolution" (i.e., professional amateurs such as bloggers, astronomers)
- Art for a compressed, impersonal, anxious society
  - Technology has sped things up to the point where, paradoxically, everything is slowing down

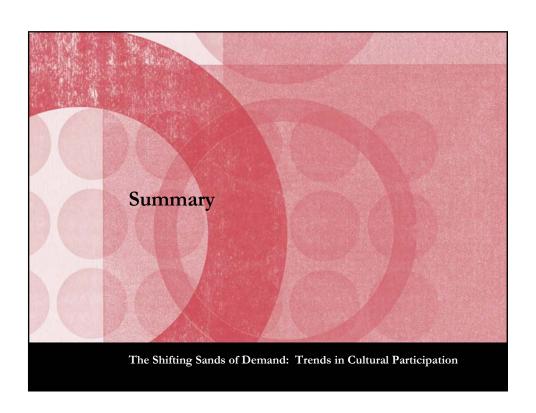
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## Shift towards interpretation-rich arts experiences

- Overall trend towards engagement and "experience enhancement"
  - Slow, fitful innovation process
- Improving "readiness to receive"
  - Martha Graham company introductory videos
  - Advance mailing of program notes, synopses
- More contextual programming
- Embedded interpretation
  - Audio guide content on cell phones
  - Supertitles at the Opera
  - Concert Companion at classical music concerts





(f) THE SHIFTING SANDS OF DEMAND: TRENDS IN CULTURAL PARTICIPATION

### **Big Thoughts**

- World cultural citizens
- Filters help people make choices
- Importance of social context
- Improving "readiness to receive"
- Creating intentionality
  - Empowering customers to design their own experiences
- Engagement, experience enhancement, intensity
- Making connections to personal creativity at home and at work



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### About the Speaker



Alan Brown is a leading researcher and management consultant in the nonprofit arts industry. As a principal of WolfBrown, his work focuses on understanding consumer demand for cultural experiences and on helping institutions, funders and agencies see new opportunities, make informed decisions and respond to changing conditions. Port to joining with Tion Wolf and Bill Keens as a partner in Wolfbrown, Alan served as principal Alan S. Brown & Associates (2003 to 2006) and as President of Audience Insight 11.C. and Associate Principal of AMS Planning & Research Corp. (1990 to 2018), where he studied addences, visions and patterns for clutural participation in almost every major marker in the applications.

From 2000 to 2002, he directed the Classical Music Consumer Segmentation Study for the John S. and James L. Knight Foundation and 15 orchestras, the largest private study of classical music audiences ever undertaken in the U.S. In 2003, he designed and facilitated The Values Study, a groundbreaking participatory research project involving teams of board and staff members from 20 Connecticul arts organizations working in the fields of dance, theatre, classical music and visual arts. Based on this work, Alan was called upon to assist The Wallace Foundation in planning its dissemination efforts for Giffs of the Muse, a study of the benefits of arts activities conducted by RAND.

At AMS/Audience Insight, Alan authored three publications for the National Endowment for the Arts: American Participation in Theater (1995, Seven Lochs Press), A Practical Guide to Arts Participation Research (1995), and Summary Report: 12 Local Surveys of Public Participation in the Arts (1993).

Within the past two years, Alan has directed proprietary studies for Disney Theatrical Productions, the Brooklyn Museum of Art, The Joyce Theater, the Aspen Music Festival and the University Musical Society, among others. Currently, he is leading a consortium of 15 major university presenters in a groundbreaking study of the values and motivations driving attendance and donation. In 2007, he will lead a study of cultural engagement in two inland regions of California for the James Irvine Foundation.

Alan has directed numerous strategic planning assignments and feasibility studies for major new arts facilities and programs in New York, California, Florida, New Jersey, Texas, and Ohio, with a focus on operations planning and organizational design. As a facilitator, be has supported many board meetings, retrease, expert panels, industry roundables, and public meetings, far 2003, be facilitated the annual retreat of the bast supported many board of the Atlanta Symphony Orchestra and in 2005 led a series of regional roundables on the future role of artists in society for Interlochen Center for the Arts. Currently, he is leading public value audits for Long Wharf Theatre in New Haver, Connection, and for Vocalization in Minneapolis.

Designing and evaluating collaborative marketing programs is another focus of Alan's work. He assisted in the development of new cooperative cultural marketing initiatives in Charlotte, Philadelphia, Detroit and San Jose, and serves as a resource to foundations and arts agencies on this emerging business practice.

Prior to joining AMS in 1990, Alan served for five years as Executive Director of the Ann Arbor Summer Festival, a multi-discipline performing arts presenter in Michigan. He holds three degrees from the University of Michigan: a Master of Business Administration, a Master of Music in Arts Administration and a Bachelor of Musical Arts in vocal performance. Alan makes his home in Fairfield, Connecticut with a Yellow Labrador Retriever named Golden Brown.