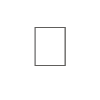
**Transcript**

July 17, 2024, 6:07PM

started transcription

 **Eric Nelson** 0:05  
Great.  
So really appreciate that.  
Uh, that pause for a moment, and let's get going.  
OK.  
So just to reiterate, we're here to talk about the data from the benchmark.  
You got about 40 orchestras participating in the US, and we're gonna dive into that data.  
So this is what the screen that you see when you first log into the benchmark.  
It's sort of the table setting screen for lack of a better term, and I'm gonna give you a quick orientation for those of you who haven't seen it before, but essentially your datas always going to be in this gold or yellow.  
And your comparison for comparison or the data you're comparing it back to is the aggregated data set of all the other orchestras in the benchmark, and that will always show up as an aggregate in the blue.  
So in this case, we're looking at the revenue in the last 30 days, ticketing for this particular orchestra, they brought in a little over a half, $1,000,000 compared to almost a half million for the benchmark data set.  
And then also compares it back to last year.  
So this organization is 14% ahead of where they were at this point in 2023 and 38% ahead in revenue of where they were in 2019.  
You can see also if everybody else is having similar pacing or growth trajectory.  
So in this case the aggregated data set is 7% behind 2023.  
So this organization is whatever they're doing at this moment in time is working right to keep them of pace ahead.  
So you would want to dig into what strategies and tactics are we unfolding at this particular coming in time this organization?  
There's also, as you see, 38% of 2019 numbers versus the aggregated data set is 24%.  
So even more good news for this particular group you're behind.  
You might want to ask the question who have we not put enough offers out?  
Are we looking at some programming that doesn't line up in all of those ways, so it prompts you to ask those kind of good questions.  
You can also look at things like advanced revenue, how much ticket sales do we have in the Bank for future performances and compare that back?  
Same thing for subscription revenue.  
How are we doing this group?  
1.5 million versus almost 3 for the aggregated data set.  
You're the date and subscription revenue, so maybe we've been holding back on putting a new subscriptions on sale, but maybe we should do that to help keep pace because obviously folks are seeing some heat there and then we can also look at things like typology, who's purchasing.  
So for this group, 31% of ticket purchases recently are coming from brand new customers versus 41% for the dataset.  
And donations wise and well, we'll dig into some of these specific uh subgroupings because we have dashboards for each of these, but in donation wise this organization is 5.5 million to aggregated data set 5.3 so ahead of that as well.  
So we're gonna go into all these data points and see how you can see some of this more in specificity as well as see some more in depth slicing and dicing about how your trends are matching up to historical numbers.  
So to keep us going here, how is the sector doing as a whole?  
So we're going to start there.  
So to get us going, what we see here by genre and we're looking at a 12 month comparison.  
So this is looking at July through June of 18 into 2019 versus July of 2023 into June of 2024.  
So this is, you know, hot off the presses data for US performing arts organizations by genre.  
And you see here US orchestras first performing arts centers.  
That's what pack stands for.  
Dance and opera here in the blue and theaters here in the Green.  
So good news is across our sector.  
All of the genres have seen increases in ticket revenue.  
This is dollars.  
Not exactly units, but dollars versus that year.  
Essentially, before the pandemic, so I sometimes call this.  
You've heard maybe this phrase from you before.  
The spoonfuls of confidence, so there's some good confidence saying we're starting to feel some consistency about our bouncing back and that all the genres have turned.  
This corner is pretty exciting also.  
What is going on from a per capita revenue?  
So how much people are paying for tickets?  
So what's attracting people?  
Are we seeing softening or embracement of ticket prices at this moment in time?  
A big question that keeps coming up is is inflation playing a role in that?  
How do we understand how inflation lines up against our current paid ticket amounts?  
And are we ahead or behind when you factor that in?  
So this is per capita revenue listed ticket price, but the actual average per paid ticket price again cross genres from that same you know 2018 to 2019 period versus 2023 into 2024, July through June and you see here the post COVID that July through June of 23 to 24 per capita revenue average paid ticket amount is in the green and the pre COVID is in the purple and across all of these genres again Green is out pacing purple.  
So our average paid amounts across our sector are higher than they were pre pandemic.  
And to answer that or put some context around that inflation question, so you see here.  
Prepandemic average per capita for a US orchestras ticket was $40.51, so $40 in 2019 is worth $48.  
In 2023, when using the calculators that the government puts out about inflation rates year to year, so you can actually go to one of these sites if you just put in US inflation rates, you get a calculator that helps you put in a dollar amount and you can pick the years that you want to compare against.  
So that's where this data came from.  
So the paid amount of 40 in 2019 is now worth $48.  
The fact that we are at 5127 is higher.  
So we're actually staying a little ahead of pace of inflation.  
So we're not just keeping pace, but actually our paid amount is helping us put a little more money in the bank than it would have prepandemic.  
So that's exciting to get to see that other things that we can check on across our sector is subscription growth.  
We saw that large ticket sales growth in revenue.  
What's going on from revenue growth across subscriptions?  
We've all been struggling with those over the last few years to understand.  
Are they bouncing back?  
Are people going to want to interact with subscriptions again?  
Do we need to rethink those models?  
This is that same period of time and when we compare 201819 July through June to July through June of 2023, we also see this is actually one of the surprising things is we are putting these data charts together that subscriptions across all of our genres in our sector are ahead of where they were.  
And again, this is revenue, not units revenue.  
So I have some more nuance about that in a few slides, but revenue wise, we're seeing strength compared to pre pandemic.  
So it's exciting to see this lift in a product line that we've been in a single little less consistency over the last couple of years coming out of the pandemic.  
So perhaps a bigger spoonful of confidence as we think about this product line less or a very different story on the donation side of things.  
Again, same pre and post comparison across our sector.  
And by genre only performing arts centers, having robustness of how they're bouncing back post-pandemic versus pre, some lift there in theaters, you see this 3%, but Orchestras and dance and opera are still tracking behind and we have some thoughts around why that's happening across why we're seeing lift as well as some challenges that I'll get to as we get into the Donations section, specifically for Orchestras.  
But again, some headlines we've got going on here and then average gift revenue, same thing like per capita revenue for ticket sales.  
But this is average gift amounts against or across these different genres in our sector.  
So again pre COVID is in the green or the post code is in the Green.  
The pre is in the purple and thinking about that inflation adjustment for a second, the eight 1897 for average Orchestra gift amount in 2019 would be worth 2255 in $2023.00.  
So the fact that we're seeing post COVID our average gift going, having gone down from 1897 to 1570 and to just stay pace with that 1897 based on inflation would mean that the difference between 1587 and 2025 is $685.  
So if we just subtracted these without the inflation amounts, that's 327, but it's actually not down just 327.  
It's actually down almost $700.00, so there is a significant difference in the size of our gifts when you factor inflation into it.  
Now the other part of inflation that could be playing a role here is inflation is causing people that to spend more for things that they've thought or experienced at lower price point.  
So is that playing a role in the disposable income that people have to be able to make these ticket purchases or donations interesting to dig into that and understand that a little bit more, but context from a top line perspective regarding inflation.  
OK.  
So that's in our sector writ large from a genre perspective.  
We're gonna dig into data specifically about Orchestras, from ticket sales, singles subscriptions and donations coming out of the benchmark.  
So first single ticket sales US performing arts organizations.  
So to give us some context to what's going on in the sector, revenue up 24%, units, down 3% again.  
So not just looking at revenue, but looking at units as well and for Orchestras.  
So the pace you're actually revenue is almost identical, but units are down, but not as much.  
We're actually 1% stronger there, so this could be playing a role in why we're seeing the average per capita revenue of single single tickets higher.  
We may have a few less people purchasing, but when they are, they're gravitating towards higher priced tickets.  
That could be the result of demand based pricing strategies that you all might be using or and we see this in the data or selling out faster across our clients of higher tiered the more VIP or you know what one might say is the best seats in the hall, those were seeing still a faster rate of those selling out compared to other sections.  
So when people go there still seems to be some heat about people wanting the best experience.  
The price sending a message to them before the best place to sit is.  
So what this looks like for single tickets on a month by month basis?  
A couple things going on with this slide.  
Saying two data ranges to compare it to the purple bar is number of tickets units in 1819 by month.  
The green bar is 2023-2024 number of tickets.  
The yellow line is 1819 revenue, so associated the revenue associated with that Purple bar and then the blue line is the revenue for Ticket single tickets in 2324 that's associated with the green bar of units.  
So what you see here is, you know, looking at the Green here, where is the green bar numbers actually outpacing the purple?  
One big thing that happened was December so holiday and we've talked about this in some past webinars, holiday sold really well for us as a sector both in terms of units and then this blue bar of revenue of the last 12 months we've been versus comparing it to the yellow line of revenue where we've seen some softening into the new year is purple.  
The number of units have still for the most yeah, have been outpacing the green bar, but luckily the revenue.  
The last 12 months is higher than the Revenue pre pandemic, so more revenue coming in the door but not as many units as we have pre pandemic with the exception of that holiday pop where we saw both.  
So interesting thing to think about, what's driving that and what does it look like on the orchestra side of things.  
So same structure going on there.  
Units in the bars revenue are the lines is green and blue, higher than purple and yellow.  
So we see here actually is Revenue continuing to be up higher, but also units on the orchestra side doing some more strength than we saw across performing arts centers, especially in the spring here, March, April and May.  
That green bar doing well.  
So things that were programming or did program this year, especially in our spring resonated well.  
So hopefully we'll see that trend continue.  
So that's nice to see where some of that change happens and growth starting to take place.  
OK.  
So that was singles.  
What's going on in the subscription side of things?  
Again, starting with drilling down there top line for US performing arts organizations.  
Ohh Karen, I see you've got your hand up.

 **Karen Yair** 14:37  
And Eric, just a yeah, thank you.

 **Eric Nelson** 14:40  
Yeah, sure.

 **Karen Yair** 14:41  
Just a quick clarification question.  
Does the subscription data include?  
Choose your owns or is it just fixed Subs?

 **Eric Nelson** 14:49  
It is a.  
It is a.  
It is all things that are essentially a bulk of something.  
So yeah, exceeded CYO membership.  
If you classify them that in your CRM, some organizations get to put that in a different category.  
But if you've categorized that as subscription, it shows up here as well.  
So it is, it's a cross those different ways that someone might participate in that committed way of purchasing.

 **Karen Yair** 15:17  
Thank you.

 **Eric Nelson** 15:18  
Yeah.  
Excellent.  
So subscription sales here.  
So again, US performing arts organizations pre pandemic code the last 12 months revenue up 28% units.  
So just to clarify, this is the number of tickets associated with all of those different kind of packages.  
It's not the number of packages, but the number of.  
Let's say if you bought A6 concert package, that would count as six in the unit.  
You know, adding all those numbers up together and what's going on in Orchestras interesting here revenue up 35% and units up 7%.  
So we're seeing a higher unit.  
Percentage than we see in other genres.  
It could be, you know, we tend to have bigger packages in the orchestra sector.  
We've got longer seasons, we've got more concerts, you know, theater might have 6 or 8.  
Performances that someone can buy you might have 12:30, you know.  
Substantially higher number of performances that one could buy.  
So that could be driving this units up higher as well.  
Umm, so stop the presses.  
You heard me talk a little bit about this earlier subscriptions.  
I gotta go back to both.  
These are up in both categories.  
When I was sharing this again internally and with some clients ahead of time, the we've been thinking this, but actually seeing the data come together across the sector and actually see subscriptions up higher than pre pandemic.  
Feels like a A headline for us, or an exclamation point of wow, that's we've been putting a lot of work and energy into that.  
Is that really taking place and this is my slide to show the articulation of something we tend to do as a sector, which is, I call it the hate watching of subscriptions.  
You see them grabbing their popcorn there and having a little bit of a skepticism for those of you don't know the concept.  
It's essentially like watching something that's a guilty pleasure.  
But you're I saw one hand criticizing it out on, you know, and making fun of it, but also realizing that you really like it at the same time.  
So we have this, you know, complicated relationship with subscriptions.  
We wonder if it's the right product line.  
Is it outdated?  
All of these kind of things, when subscriptions in the.  
Consumer Market writ large are growing across the board.  
So while we've, you know, been in a relationship with subscription for a really long time and sometimes it might feel dull and old to us, it's actually kind of fresh and new and having lots of growth with people of all age ranges.  
When you think of all the things you all subscribe to, I'm sure you could count all of them.  
Perhaps we need to feel a little more fresher and reinvigorated about how subscriptions are resonating with folks and how it's showing up month by month.  
So again, US performing arts organizations that same period of time, the bar is blue is units 1819, the purple Bar is 2324, the Green Line is Revenue 1819, and the Yellow Line is Revenue 2324.  
So we're looking at is purple outpacing blue and is yellow outpacing Green.  
And something really interesting here and across performing arts organizations is come.  
If you look at March here, a corner turned where both units and revenue consistently outpaced prepandemic, so that was US performing arts organizations.  
Did that happen with Orchestras?  
And yes, it did.  
So if we're looking at Purple bar versus blue bar and yellow line outpacing green line, same thing March, April, May, June, our subscription in both of those categories, revenue and units went farther than it did pre pandemic.  
So that I think speaks to a few things.  
One is, you know, what's driving this resurgence and how do we perhaps halt our hate watching of subscriptions?  
Well, look at March and June again, that's for many of you out there.  
That's when you're putting subscriptions on sale for your next season.  
So there's a strength in that on sale and we are seeing some robust especially among our clients on your rates so far this year.  
So Newell numbers healthy and seeing some folks, you know gravitating towards that, perhaps this could be some of those folks who I, you know, had stopped participating for a little while, but are starting to come back.  
We are seeing more lapsed people come back into the fold, but it could also be a our nearest and dearest have the ones who've held on to subscription are truly hanging on to those.  
So that's perhaps driving up some of our early renewal rates and health with initial subscription on sale.  
Usually we start with renewals and then new acquisition happens.  
So thinking about that March through June, some strength happening there.  
And then the per unit per cap.  
So we talked about per capita revenue earlier, but if we think about the per capita of how much we paid per concert in our subscription package, when you think about our whole subscription price, each individual concert plays a part in that.  
So that's our per cap per per concert.  
So it's actually up 20%.  
So it's up to $72 when we think about the total cost of subscriptions divided by the number of performances in a package versus 57 pre pandemic.  
So if we think of that adjusted for inflation, $57 and 2019 is $70.00 and 2024.  
So this 72 that people are currently paying is outpacing that just you know, growth of what inflation typically would get to.  
So that's also helping out sound.  
So per cap per unit per CAP is up as well.  
So you could log into the benchmark and start dissecting some of this information.  
So in that main screen that you saw, you can go to any one of these buttons here and it takes you to that.  
So I clicked on the subscription one here and this shows us a few things to help us understand what's going on.  
For this particular example, we can compare this year's data to 2019 or in this case we're going to look at 2023.  
You can toggle back and forth and we're going to look at revenue and packages and I'm going to bring your attention to the pink bars that looks at our darker pink is what we've sold package per month compared to the lighter pink, which is how many we've sold of packages to what our comparison here was.  
Here 2023.  
So you see kind of like what we saw in that earlier chart March darker pink started outpacing lighter pink happened again in April by a pretty significant amount.  
That's when this organization put a big you all probably know.  
Like we start talking about the renewal deadline and we start to see that lift.  
So pushing and reminding, that's probably better word of getting people to renew.  
So we got a good lift here as we put this particular organization, got renewals out and then it's been, you know, recommending and following up with people to get them to take action.  
So we got a big bulk picked up early, though a little softer here.  
If we look at June and July, so that would be something for us to start questioning.  
Did we overperform here and made up for what we would have done in June and July, or do we need to think about who our last minute hold outs are?  
So that gives you some information to be able to understand that.  
And then one other thing, the revenue is the line.  
So the darker line is where we are for this year and the chequered line here is a versus what we're comparing to so 2023.  
So it gives us again a temperature take to better understand how we're pacing against either pre pandemic or the year that we've been last in.  
So who is coming back?  
We use this customer typology segmentation that some of you may have seen before.  
We put it under this headline called RFMG, which stands for recency, frequency, monetary investment and growth.  
And we look at these categories across your database.  
So we try to transcend or get out of just calling things by product line, single tickets or fix subscription or CYO or membership.  
But actually you wanna see how we can organize people by how often they come to see us.  
So we've got categories like acquisition which is brand new folks, current folks in our database.  
We've got once before us who have come once before it, convertee who come twice before actives who've been with US 3 to 9 times in their history.  
Super Active 10 plus times and then stale hasn't been to see us in 18 to 36 months or a lapsed folks who haven't been in three or more years.  
So who is coming back?  
So if we were to look at US performing arts organizations, comparing calendar year 2019 through the first six months of 2024, we see some interesting things here.  
2019 is the is the ball, 2024 is the Green.  
So where is Green outpacing purple?  
So one is super active, so if we go back here, super actives are those people have been with us 10 plus times in their history.  
You could probably infer that those are subscribers, and if we're in a renewal phase of our subscriptions, we want and need for those folks, especially at this time of year, to be outpacing prepandemic amounts.  
So that's really exciting.  
Also lapse trying to get some of those people who haven't been in a while to come back or seeing strength there.  
So perhaps those people who we've been hoping will miss us are actually starting to feel that and wanna come back in.  
But we're seeing some softness on the new acquisition side of things.  
So even though we're putting our eyes on the ball of subscription, we can't take our eyes also off the prize of generating as many new buyers as possible.  
Excuse me to fill our pipeline.  
So that gives us a headline to say, ooh is are we?  
Is that just the headline for this moment in time, or are we starting to track behind writ large, something to keep in mind?  
So what does that look like for Orchestras?  
So a couple things going on here.  
One is super active as again Green is outpacing are purple here, and we're seeing a little bit more softness with new customer acquisition compared to performing arts centers, the performing arts sector writ large.  
So that could be what performances did we have in the second half of our seasons.  
What are we gearing up for?  
But how do we keep you know, our pipelines full?  
Do we need to?  
You know, maybe think about investing more in that acquisition side of things and really recognize this cool thing that's going on with Super Actives, which is there ohh outpacing pre pandemic.  
So it's heavily influenced as we talked a little bit earlier about the subscription on sale and the renewal phase of things that's that should be performing really well at this time of the year.  
It's nice to see it ahead of pace and you can also go into the benchmark to find out if this is you.  
Not only are we getting those folks back in, but are they driving an additional kind of behavior for us, which is donation style behavior.  
So we've looked at subscriptions, we saw that spacing, OK, those people, especially during this phase are the ones who typically.  
You know, we'd like to see them add on their donation.  
So are we seeing that happen here as well?  
So there's a lot going on in this slide, so it could go down, you log in, go down to the left hand side and click on things that the different category.  
So we'll click on donation here.  
We're comparing things actually this time back to pre pandemic sense of 2023, 2019.  
The darker color bar is this year's results.  
The lighter color bar is what we're comparing it back to.  
The darker line is.  
This year, the dotted line is what we're comparing back to again 2019.  
So we can see that, oh, that's really interesting.  
Our donations have been pacing ahead and we've had some for this particular organization, some strength early on in perhaps our renewal and now we're starting to see some softening of that.  
Is that because you know renewals over and we're the add-ons may have already happened, perhaps that's why the darker blue outpaced here.  
So something to dig into and then we can also look up here and see things like total, you know, donors we have a year to date, almost 8020 nineteen.  
We had 65 hundreds, were up 22%, really excellent to see that average number of gifts per patron 1.2 we know that sometimes people give multiple gifts over the course of the year.  
So we wanna track and see if we're seeing that same kind of participation and then this really interesting one here average gift to value.  
So while we're seeing, you know, good lift in terms of units of donations, are we seeing the right size of them?  
And right here for this particular organization, we're still tracking behind $581.00 average gift year to date versus 847.  
So we're 31% behind.  
We actually was talking with the client about this, who said, yeah, we started noticing this, the gift being a little lower.  
So we actually put suggested gift amounts on our renewal notices for subscriptions, but they actually put in the dollar amount of how what they thought someone should give at and they actually saw a nice lift up.  
So sometimes it could be inflation, but perhaps we're not leading folks directly there to make the kind of gift that would keep them on paste with historical levels or me to help us get to the the goals that we have.  
So again, you can learn a whole bunch of information about where this is pacing and coming together that way.  
Tell us.  
See like are our biggest fans showing up in ways that we need them to.  
Both not just with renewing their subscription, but also what are the donations that are coming in and the add on donations at the same time?  
The other question that tends to come up especially will stay in ticketing for just a minute longer is Eric.  
You keep talking about this, that people are buying not any.  
They're not buying any later than pre pandemic amounts.  
Is that still the case?  
And the answer is it is.  
So you've got a couple things going on here, but this is sales pacing and we're looking at 12 weeks out from a particular performance and when revenue and sales came in the door, so pre COVID is this purple line, the green line is post COVID and you see it's almost identical across our sector pre to post pandemic and then yeah, so number of purchases or purchases within the last two weeks prepandemic 37%, post-pandemic 35%.  
So slight variation there and then in terms of the orchestra sector, it's almost identical in terms of pre pandemic to Post-pandemic 31% purchased within the last two weeks.  
Uh, so really no difference there.  
So don't wait till the last minute to get your marketing out.  
Make sure it's happening early enough to make impact.  
OK, so a little more diving into Donations.  
US performing arts organizations the same comparison points revenue down 7% units, though up 4%.  
So we're getting more gifts coming in, but at a smaller gift amount average gift amount we saw we've seen it already a couple of examples of that in the orchestra sector, units up 8% and revenue down 11%.  
So just that comparison there.  
So we're actually getting more gifts in, but also a little smaller even than what the across all the sectors are experiencing that could be we have a lot of concerts.  
So we tend to get a higher rate of new folks in our sector or in Orchestras than others.  
So we it could be we just have more givers at the earlier stages of their connection with us and those people who their first phases of giving tend to be smaller gift sizes pretty universally.  
So you know, what do we do with that?  
I'll plant that seed.  
Yeah, Karen, hand up.

 **Karen Yair** 31:29  
Yeah.  
And Eric, I think when we compare this with the data that we shared back in March, we see some improvements.  
You know, although the numbers are still not looking where we'd like them to be, we're seeing some improvements since then.  
Would you see that as part of the ebb and flow of the year?  
Or would you see it as part of a a broader trend?

 **Eric Nelson** 31:47  
Yeah, I think it actually, I think this will help explain some of that.  
And I think this is again a spoonful of confidence.  
So if we think about units Green outpacing purple, that's what we wanna see in terms of units and then revenue.  
We wanna see blue outpace yellow.  
If so, lots of variation going on here, but one really big difference about when we looked at this data year ago is if you look at November and December, we were way behind in end of calendar, you're giving AS23AS22 wrapped up, but look at some heat happening again both with Green outpacing purple units and blue outpacing yellow here end of fiscal end of calendar year.  
So strength there again, I think what we're hoping we're seeing is that our pipelines are refilling.  
So that's really exciting to see these journeys of participation.  
Actually This Is Us performing authorization.  
Sorry about that, but similar story here.  
This is the Orchestras, but we had good.  
So everybody had good end of calendar year.  
Orchestras did as well, so that strength I think it helped to to drive those numbers and the good end of calendar year.  
So good messaging that you all did to drive that as well as the fact that you know we've filled our pipeline with more new people and perhaps they're just starting to get into those mature or phases of a couple of years of participation with us.  
So keep going here.  
So again, what's driving this strength giving units up?  
So donations are smaller, so lots of cultivation work to be done there.  
And then this opportunity, you know, 2024 only June.  
So go back to here.  
So where did we see blue outpace yellow so far in this calendar year?  
Only June was that place.  
That's a good sign to see that we have at least blue.  
Getting pays our pacing yellow, but we want more consistency on this.  
So a question for you all strategically to think about is how are we recognizing these newer donors that we see coming in the door?  
And then what is the plan to upgrade them so not only get them to do it once, but how do we get them to do it again and how do we start telling impact stories with them that drive them to want to increase their Donations?  
That's those are opportunities for us as a sector to be thinking about again, getting our biggest fans to grow in size, to become even bigger fans for us.  
Great.  
So average gift size per month, US performing arts organizations, it's been a little up and down all year long over the last 12 months.  
Purple is pre pandemic Green is where we are now and then in the orchestra sector a little bit of up and down there as well.  
It's really interesting this January spike here.  
That could be some residual change in reporting for end of calendar year or folks who did we historically saw more people do subscription renewals right off of the top of the year in January and they would see some pretty substantial add-on gifts, especially when you think of people renewing at the beginning of the year, those are usually your nearest and dearest.  
So those are the folks.  
When that happens, tend to have the highest add on donations associated with them, so perhaps should we be renewing people earlier and should be?  
How are we being really thoughtful about what the gift ask is with that donation?  
OK.  
So retention, we talked a little bit about this getting new people in the door.  
How do we get them to come back?  
Some of you saw this data when we were together in Houston, but we were given the provocation to try to understand.  
Retention rates differently?  
Or are they different coming out of the pandemic?  
So as you all know, we have this revolving door of folks typically in our sector.  
We're really good at bringing people in.  
Not so great.  
Not we have good effort, but we don't see them come back with the regularity that we would hope for suffering both of these up.  
This is industry new to file churn rates.  
So folks who came in 1718 across our sector writ large, 62 to 80% of them didn't return the next season in 1819.  
So going, you know, fast forwarding to today or recently in 20 in the 2122 season, 80 to 95% of folks didn't come to the 2223 season.  
So we, well, we are getting more new to files in the door.  
We're actually seeing less of them come back with regularity.  
Or are we?  
That was really the question and how do we understand what are the nuances and opportunities within this churn rate.  
So many of you probably are familiar with the killer offer strategy that you all have tried.  
We've tried came out of those the good study from the Wineman work that was done many years ago, but you know did did price get people to come back and really deep discounts to some degree it worked.  
But it didn't.  
We find really solve our retention problem, especially when you look at these numbers.  
So are there rhythms we can understand about how someone shows up and when they're going to come back to help us understand now what we need out of them?  
I know we need them to come back, but what is their journey and can we understand their journey, journey and timeline so we can better align our invitations to come back with where they like to come?  
I I tend to call this or like to call this learning to love our lapsed and you know somebody doesn't come one season, they don't come the next we feel like they broke this bond with us and our lapsed but actually so this data is looking at new to file and ETF is new to file here from US orchestras in the database and how long it took them from 2022 all 2022 all of 2023 and then into the first quarter of 2024 to have their second experience.  
So you've got two categories here.  
You've got sort of regular style concerts, classical pops, all that good stuff, and then you've got holiday which included holiday pops, Christmas spectaculars and Massiah product line is all in this.  
And what percentage is new to file?  
Folks came back and had a second experience, but how long did it take in each of these numbers?  
Down here represent 1/4, so you see here for regular folks when they had their first experience, a bunch of them came back in the second quarter about 9%, but then really about a year later is when many of them had a big lift back up, partly if they were event buyers like, I can't like coming to see a movie every year.  
So when they're doing your next like movie, I'll come back to that.  
But even up to six quarters later, or even almost two years, so think 18 months, sometimes even 24 months, it takes someone to come back and have that second experience.  
So maybe we just need to give them a little more breathing room to judge whether or not they're gonna come back rather than saying if you didn't come back right away, we're gonna cross you off our list.  
Holiday also having like you look here about six quarters it takes for somebody to Max out when they're going to come back again, especially a big pop after 12 months.  
You think you come annually to holiday pops?  
That's when you see some of that lift have that second experience.  
So interesting thing to think about, we are seeing less folks come back though, so the same data pre pandemic we would have saw instead of 14% of first timers coming back, we would have seen about 30% over like an 18 month up to two year period and then for holiday folks 18%.  
So 30 prepandemic for regular programming versus 14 and that holiday 18% pre pandemic versus 10% that we're seeing now.  
But again, these are new to file folks, so we're seeing less stickiness with new to file coming back though, a pretty the trajectory of when they might come back is a little longer than perhaps we would have thought.  
When we look at this with existing virus, so people already in your database who have had experiences, same concept, same period of time trying to understand over a two year period plus 1/4 how long it would take them to get them to come back and at what percentage rates we've got regular and holiday here again.  
So what's interesting is much closer together 39% regular, 36% holiday.  
And again this like sort of this year's sweet spot and then we could eat out a little more from them getting into sort of six quarters out or 18 months later pre pandemic, we would have seen regular folks about 34 coming back within that period of time.  
So post pandemic actually seeing our existing buyers have a higher stickiness rate than pre 39% versus 34 and then for holiday programming would have been 29% was actually seen 36%.  
So this another spoonful of confidence there, especially with our existing buyers.  
So what's this?  
Something we should look to like Eric, what would be a good Benchmark or KPI to get someone to come back, to be an existing buyer?  
So he tried to answer that with what I call the chromosomes slide.  
So this takes that same typology that we looked at earlier, new customers all the way to reengagement with stale and lapsed.  
And what percentages of participation by quarter are coming back or turning the purple?  
Is the E 2018-2019 into the first quarter of 2020?  
The green Line is 2022 through 2023.  
In the first quarter of 2024, So what you're looking at is where is the heat?  
Where is Green outpacing?  
A purple and you see that here, with once before his or convertee.  
So just a reminder, those people are the folks who are getting to a second or third experience.  
So if you want to send a benchmark for yourself, we're seeing heat there and reactivation of people participating or staying stickier when they get to a second or even third experience perhaps in that 18 or 24 months period of time and when they get to 1/3 experience, we see them have a higher pick up rate of them getting into active or super active.  
So you might think that third experience here, that Convertee experience unlocks the door for greater longevity.  
So sweet spot giving 1/3 experience.  
Think about 18.  
Maybe or 24 months to make that happen and then really push the subscription CYO membership?  
Ask at that time to try to lock them in, so I share this in Houston is that maybe we actually need to be thinking about our data in a slightly different way that there's not just people who come annually, but there are people come annually, biannually.  
There are folks who are, you know, perennials who show up and can we wrap our heads around who those people are in our databases and set some strategies around those different phases.  
So we don't blume everyone into just you came this year and you didn't come lapsed last you you came last year you didn't come this year, so now you're lapsed and we're gonna put you into some big general category together.  
But actually it feels like there's much more nuance within that and understanding that can be really helpful with the right next invitations.  
And Speaking of those, I'm gonna get through these quickly.  
I would be mindful of time, but one strategy to get folks to come back is one that our friends at Arkansas Symphony are using, which is a membership program that walks alongside their subscriptions.  
It's $9 a month and that gets you access to a whole wide range of concerts in their season, and they've been using this to try to get people to come back and have those second or third experiences.  
So historically, we would have tried the killer offer with new folks to get them to come back to 50% off to their next concert.  
So that's this green box here.  
But in FY24, we tried instead of that killer offer.  
Actually, why don't you first time single ticket buyer or second time single ticket buyer when you upgrade to a membership uh at this really an inexpensive rate only $9 a month and then that actually gets you automatically into a pathway of having a runway for repeat attendance.  
So it builds in a natural retention rates stickiness guide and we actually saw more people, 11% folks choose this option or a response rate from this offer versus when we tried this in FY23 with 9%.  
So really interesting things to think about.  
With what is that offer that creates that runway and pathway?  
If you're interested in their program, these are what the price points are and what you get.  
I wanna be mindful time, but you get a copy of this deck if you wanna take a look at this further or check out their website.  
Another is to think about messaging for folks.  
So this was.  
Charleston Symphony they were doing a Bruckner concert and knowing that Bruckner sometimes doesn't sell as much as other concerts.  
But they said we want to create, we wanna lean into the event tification of this, that what people wanna do when they come out.  
So bring your bestie to the Symphony for this.  
So this whole campaign or around come bring your bestie.  
How it works is every brookner ticket that you purchased with the code bestie, you can bring up a friend for free.  
You'll get a glass of Prosecco to enjoy, so leaning into the experience and not so much you know the name of the program or or the specificity about what's in the work that which people might not know, or even have a understanding of, but they wanna go out and have a great time.  
So this framing around the experience coming with your bestie was the youngest classical audience they had that season, with the exception of the planets, and it was the most racially diverse classical audience they had in the 2324 season.  
So thinking about what people need, new people need in particular in order to try to welcome them and welcome them back in a way that you know resonates with the kind of experience they wanna have.  
So there's a couple of inspirations there to think about.  
Yeah.  
So with that in mind, I wanna open it up for questions to see.  
You know, if you have any, there also will put this really quickly up here if you want to reach out afterwards or whatnot.  
Here's my contact information.  
I will put it in the chat, always happy to reach out and you have a conversation with you.  
I do these three hours of consulting all the time.  
So happy to puzzle through thoughts and ideas with you, but again, you'll get a copy of this deck.  
But I'm going to stop my share just to bring faces up.  
And Karen, see if we have any other questions in there and or I know you want to share some thoughts about where the benchmark is going.

 **Karen Yair** 46:54  
Hmm.  
Maybe I'll just say that while people get their thoughts together because we really love to hear from everyone about how the findings resonate with you, especially the those around subscription.  
But while you give that some thought just a couple of quick points, I wanted to raise one is that we're working at the moment to expand access to the benchmark, mostly everyone on this call will be from medium and larger budget Orchestras.  
We've raised some grant funding which will allow us to build new connections that will bring in some more of our smaller to medium budget Orchestra colleagues.  
So the data is going to get even more representative and helpful to us.  
So I just wanted to let you know that that's happening.  
The other thing I wanted to say is that this is fantastic quantitative data.  
If you're interested in exploring more qualitatively where audiences are than the league as a webinar coming up next week, U and that webinar is on audience tastes and preferences.  
It's based on very recent work by Wolf Brown, so if you'd like to join Alan Brown and me and colleagues from Orchestras across the country to talk about adapting, changing tastes and preferences in Orchestra programming and constant experiences, that's next week and you have details in your inbox.  
OK.

 **Eric Nelson** 48:06  
X.

 **Karen Yair** 48:06  
Has anyone have any thoughts about the findings themselves, and in particular around subscription that they'd like to share?

 **Eric Nelson** 48:30  
I also know uh Alicia Johnson, who's The Who had the membership program, or I membership at Arkansas.  
Simps joined us is here today.  
So please, if you wanna come off mute and share any findings you all have or any further advice about how you know what you're seeing in membership and also using that as a retention tool.  
I know people would love to hear about that.

 **Attendee2** 48:55  
Yeah, I'm a lot of people really love our membership program.  
They really like the flexibility of it and just how cheap it is, and it's just it is a really good tool for new new people.  
They like the idea of just choosing when to go and whenever we're.  
I know that's a big question.  
Is it compromising subscription and it really isn't and subscription is still up for us and membership is still up there?  
They're going at the same pace and we only use membership if we're gonna lose a subscriber.  
So that's been a good tool for us, but overall membership is really working for us and the premiums actually picking up some pay so.

 **Eric Nelson** 49:44  
Excellent.  
Yeah, I love that point too.  
About yeah.  
How they walk alongside each other as product lines that have a connection and you know, oftentimes meeting different people's needs.  
So having is we see more new people come into umm, the orchestra sector to try us out and buy tickets to be able to have options that say ohh I'd like seating and having the same seat is really important to me.  
So that fix subscriptions seems like the right pick or I want ultimate flexibility so membership is the right one for me.  
So the fact that you're not seeing, you know, folks jump from one to the next sort of shows that there's different value needs across the board and it moves us to have things that meet those needs.  
It's.  
Excellent.  
Great.  
Well, unless we're about.  
Yeah, I don't think anybody minds having a minute back.  
So as we wrap up our get to three o'clock just wanna say thank you again.  
Also, much you've seen my email address is in the is in the chat, so it's not just.  
If you want to puzzle through things, if you also wanna like an orientation to the benchmark, I know we showed some of those things, but if you wanna have a refresher or a walk through, happy to do that with you all. So.  
Thank you so much.  
And again, Karen, thank you to you and the league for this great partnership.  
We really appreciate getting to puzzle at this through with you and you all out there for the conversation and the data and the ability to analyze all this again helps us all get more resilient, faster.  
So thank you all for joining us today.

 **Karen Yair** 51:37  
Thank you so much, Eric.

 **Eric Nelson** 51:40  
I saw it in and.  
See you soon.  
Cheers.  
Bye bye.

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