

Arts Marketing Association

Ahead of the Game - Symposium 2004

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Foreword

This was the Arts Marketing Association's second 24-hour symposium: an occasion for senior professionals to discuss and debate a range of issues and to consider some of the opportunities for the industry.

This symposium aimed to consider who or what the arts are competing against and for, and, if competition is appropriate, whether the arts are as competitive as they might be. But by the end of the twenty-four hours delegates had explored a wide range of subjects in this context.

- The health of the arts industry as a whole (see the debate from p4):
 - Exploring the sector's mindset towards collaboration and competition (see p88 & p114)
 - Discussing the idea of a single brand for the arts (p73 & p97).
- The fitness for purpose of our organisations and marketing:
 - Getting the right product for the right markets (p55, p69 & p93);
 - Understanding the internal values exchange with our staff (see p79 & p104);
 - Realising the frequency of attendance of our audiences and communicating with them in a relevant way (p24, p32 & p61).
- The well-being of our audiences:
 - Developing the notion of the arts delivering social capital and contributing to happy lives (p17 & p37);
 - Offering authentic experiences and opportunities to engage in a plastic world (p20 & p46).

I hope helps to continue to stimulate the debate.

Debbie Richards

Debate: “This house believes that the subsidised arts are not doing enough to remain competitive in an ever changing society.”

The opening session of the symposium took the form of a debate. One team proposed the motion and one team spoke against it, after which the debate was opened out to the floor. Following closing remarks from each team, the motion was put to a vote.

For The Motion: Stephen Cashman

It is part of our role to be a tiny bit provocative. So, let me emphasise from the outset that we are not going to be knocking the subsidised arts. It’s just a case of “Could do better”. Neither do we want to engage in the boring debate about creatives versus management, that puts artists and management at each other’s throats. Because we, as a team, believe the arts are so valuable and important that they deserve great management and a great approach to competition.

However, I suggest that the subsidised sector is guilty of three mortal sins: a limited concept of competition; naivety and being subject to complacency.

Limited Concept of Competition

The concept of competition used by the arts is really rather narrow. Rarely do we think about the big seismic competitive factors that will impact in a big way on our organisations achieving their objectives. Competition is something that gets in the way of you achieving your aims. Rarely do we actually think about things like the demographic time bomb. When was the last time your organisation thought about the implications of climate change? Of Britain actually deciding, as a result of the referendum, not to join Europe? And how often do we think about the expanding range of choice that we have to cope with?

Naivety

As a result of our limited notion of competition, we can also be naïve about it. I’ve seen people in organizations argue that the arts are not that sort of sector; that competition isn’t relevant in the arts. We’re nice, we’re caring and we’re not in the business of doing other people down.

I think that’s deeply disingenuous. I think that’s a real mis-perception of what big factor competition is all about. It’s as if we’re working in a blinkered way with tunnel vision: we carry on blithely, not listening to what’s going on and we don’t realise that both the roof and the sides of the tunnel are about to come down on our heads.

Complacency

I think we've been lulled into a sense of complacency. This is one of the benefits of subsidy: it's one warm, big, soft, comfort blanket. But I say it's time for the DCMS to give up working in arts and culture and hand responsibility over to the Department for Trade and Industry. Let's have more initiatives that actually reward success, innovation and market responsiveness and punish failure.

For The Motion: Roberta Doyle

In support of our argument I'm going to cite some highly relevant recent research: Morton Smyth's research for Arts Council England, Re:source, Heritage Lottery Fund and English Heritage. The research is called *Not For The Likes Of You*. I'm going to talk about this in reference particularly to my sector, the museums and galleries sector, as I believe it still has huge progress to make in terms of 20th Century notions of excellence in management and certainly in terms of competitiveness. The research looked at organisations that had attracted a broader audience by changing their overall corporate position and/or message. The findings were concise and revealing. The most critical success factors were found to be internal ones. The main finding is as follows: "Successful organisations model internally what they wish to express externally". It was found that this concept has six main features including the findings that:

- Successful organisations develop specific kinds of leadership behaviour;
- They bring education and marketing closer to senior management;
- They think about audiences in a different way;
- They promote a people-centred, "can-do" culture.

If you accept that these internal models lead to market development, you must accept, therefore, that this is an issue for competitiveness. It is my proposition that many of our museums and galleries fail to address these issues and lag behind other sectors, even in the arts and culture, in terms of competitiveness.

Far from exhibiting leadership behaviours, most museums and galleries in the U.K. are led by specialist art historians or by curators whose leadership and management behaviour is elitist, remote and dated. Education and marketing are not even close to each other, never mind at the heart of management strategy. Visitor development strategy, if there is one, is entirely product led.

I'd like to cite an example from one of my own colleagues, who said, "Oh, darling, if I put a Botticelli in a cowshed people would still come to see it".

I did reply, "Yes, but not if they have to wade through shit in order to get to it".

The finding that successful organisations think about audiences in a different way has, I think, particular implications for the museums and galleries sector. I very often hear my colleagues say, “Things would just be so much better if only the audiences would change”. There is still a prevailing view in my sector that art is sacred and the visitor must do all in their power simply to try harder.

My final point is on the lack of a “can-do” culture. Many of our larger galleries and museums in the U.K. are traditional, bureaucratic establishments. The larger ones are mostly funded directly from ministries, and “can-do” culture is not embedded at all in the management process, where often members of staff have been in place for decades. We did a piece of internal research at the National Galleries recently to find that the overwhelming majority of people who worked there had been in position for 25 years or more.

I suggest that this important research, *Not For The Likes Of You*, has delivered a wake-up call to the managements of our galleries and museums. Unless we address these stagnant internal cultures we’ll continue to be blissfully, or not so blissfully, unaware of external issues including the crucial issue of competitiveness and consumer choice. There are a handful of honourable exceptions to this, of course, but they are exceptions rather than the rule. Galleries and museums change, compete or die.

For The Motion: David Dixon

We’re not here to tell you that there are no shining examples of good marketing behaviour: there are examples and we can all cite them. But we are here to tell you that the subsidized arts, in general, could reasonably do more and do better. We’re in competition in many areas. We’re going to talk, of course, about ticket sales, visitors, audiences, but we must realize at the outset that we’re also in competition for public funding and that, for many of us, is our largest source of income. We’re also in competition for fundraising income because almost everyone in the subsidized arts sector is a registered charity and does some kind of fundraising, for which we also compete with many other charities. We’re competing in some sense for the hearts and minds of people, particularly children, as we would like them to come to theatres, opera and galleries in the future, rather than spending all of their time in front of the television and going shopping. I have kids and I hope you’re in competition for the minds of my children.

Turning back now to what the main part of this symposium will be about: customers. Because marketing is above all an empirical discipline I’m going to look at evidence and you’re going to provide me with some of that evidence. First of all, and this requires complete honesty, put your hand up if you know the average cost of acquisition of a new customer at your organisation. Now, put your hand up if you know the average lifetime value of your visitors, whether or not they buy tickets.

Finally put your hand up if you know the average retention rate of your customers each year on an annualized basis. (*A smattering of hands went up in response to each question*).

There is a great deal of evidence that suggests that arts organisations do not know what's happening with their existing customers. Marketing:arts did a piece of research using sales data drawn from sixteen venues around England and Wales with a sample of one million individual bookers who, between them, spent £54,000,000 on tickets. They discovered that, of those people, the average retention rate was 45%. And the most shocking thing was that most of the organisations didn't know that was the case and had no plans in place to retain their audiences. As arts marketers our job, I believe, is to bring together the two great things of value that we have - the art and the audience. Our field of competition is in making sure that those people come, come back again and that their experience is enhanced in some way. I think I've provided evidence that we don't do enough in pursuit of this aim.

For The Motion: Trudi George

Consumers know what they want and increasingly they have learned to control how and when they choose to get it. Choice is as irresistible to consumers as chocolate to a toddler. Once they've had a taste they want more and they become incredibly skilful at satiating these desires. And as fast as choices increase so free time decreases and what we end up with is an awful lot to do and little or no time to do it in. Successful organisations have responded by harnessing this new power to ensure that all their business ventures are firmly rooted in the needs, wants and demands of their markets. Organisations who are failing have been complacent, believing their customers would always want the same service, delivered in the same way and available in the same outlets. In which camp do we wish to align ourselves? Arguably the subsidized arts sector continues to operate in a vacuum, shutting out the external environment with the "we are sacred, we are incomparable, we are different" mantras. Arts managers fail to see the value in considering trends in the FMCG and regeneration sectors and take a cursory glance at tourism or sports, but only when funding applications demand it. But what if choice is our biggest competitor and what impact do the trends on time have on this? There's only one way to find out: we've got to go covert. We've got to delve head first into the external environment to inform our practice. Who knows what we might find? Secret pockets of time? Perhaps even a recipe to create time? But one thing is certain. If we continue to waste our customer's time, for example by expecting them to wade through pages of jargon-loaded brochures that arrive tirelessly on their doorsteps four times a year, we'll lose them. And if we continue to have theatres where the curtain goes up at 7.30pm and go dark on a Sunday and throughout the Summer, we'll lose the venues too and then it'll be too late. So, my plea to you is: let us become experts in what's going on out there, in

FMCGs and technology and regeneration and sports and the service sector. Only then can we actually begin to understand where we fit in and consolidate this position or seek to amend it.

Against The Motion: Charles Levison

Competition: does it really apply to the arts at all? I thought that Stephen made a compelling argument that we are competitive enough and therefore we didn't need to respond at all to the motion but then Roberta stuck a knife in that exposed a possible weakness.

I can only speak from my personal experience in the arts and I'd particularly like to put the Lowry's experience in front of you. It has only been going for four years and yet generates 700,000 visitors and revenues of £5.5 million last year. I get reports from the management team there which are better than a lot of the reports I get from commercial companies of which I am a director. Key Performance Indicators, we've got them. Information on audiences, we've got it.

So, who are we competitive with? We're competitive for government funding. We're competitive with the health service, with education, with sport, with defence, and yet subsidy has gone up almost every year. Therefore the subsidised arts have been extremely good at competing with those other sectors. We have to compete for the leisure pound, the pink pound, we have to compete with commercial arts businesses - and Clear Channel sees the Lowry as immense competition and we see Clear Channel as competition.

However, if the real thing for the subsidised arts is, as David said, matching the arts with the audience then our principal concern as subsidised arts organisations is making sure that the art is the best and most creative, that we are nurturing creative talent and that we are producing the best work. If we produce the best work and harvest it in the right way the audiences will come. And in that respect we don't need to worry about competition.

So I think we have a situation where on the one hand we are competitive – we can face the business world and other sectors, and on the other hand we don't really need to be competitive as long as we focus on the delivery of quality.

Against The Motion: Ros Robins

In opposing this motion I would like to argue a fundamental principle, that in order to remain competitive in a changing society, cultural organisations have to be excellent and innovative in their work and offer a broad range of opportunities to audiences to participate in and experience their work. In its recent manifesto, Arts Council England describes how use of subsidy can enable artists and arts organisations to be competitive. It talks of a commitment to supporting innovation and emerging arts

practice, to placing an emphasis on excellence and the highest possible achievement, but most importantly to creating opportunities for people to experience and participate in transformational opportunities. The bridge between quality and access is described as crucial in a society subject to ongoing change, particularly in its cultural and ethnic diversity, and I believe it is the continuous bridge building by the subsidised arts that will ensure they remain competitive. There are many regional examples of bridge building across the West Midlands that I could have chosen but I have opted for two very different subsidised arts organizations working in two very different parts of the region – the City of Birmingham Symphony Orchestra based at Symphony Hall in Birmingham and the Oakengates Theatre in Shropshire, a Local Authority managed receiving theatre.

Birmingham is forecast to be the first ethnic majority city by 2020. With an audience for the CBSO that is traditionally white, middle class and middle aged, this demographic shift presents a considerable challenge. In responding to this challenge the organisation has devised a wide-ranging cultural diversity plan – the Harmony project. This recognises that the organisation will not continue to be competitive unless it captures a larger market share, and that one of the largest potential markets is within the black and minority ethnic communities. As far as I am aware, it is the first time that such a diversity plan has been attempted by a music organization and this was acknowledged at a recent Association of British Orchestras conference. It has been interesting in that it acknowledges not just the moral, social and ethical arguments for the diversifying of the audience, but also the business case for doing so. Oakengates Theatre in Telford, on the other hand, is an example of an arts organisation taking an innovative and long-term approach to its future sustainability. Oakengates is working in partnership with the government's Sure Start initiative to encourage new audiences from family groups. It is a great example of a transformational participative opportunity being offered by a subsidised arts organisation. The programme has been informed by extensive consultation with families and has included changes and improvements to ticket prices, child friendly access spaces, affordable transport, etc. There have been obvious outcomes including over 1,500 new participations by parents and children, fewer than 50% of who had similar past experiences and over 50% of whom have now attended two or more events at the theatre. But interestingly there have also been unsought outcomes and this is where the transformational power of the arts is evident. There has been a diminution in post-natal depression, an increase in pre-school development of verbal skills, improved socialisation amongst the children and significant further Sure Start investment. Not only, therefore, has the arts organisation increased its audience base as a result of its innovative approach but it has also enhanced its financial viability and its ability to compete.

In conclusion, both the CBSO and Oakengates in very different ways have recognized the need to change in order to be competitive and this responsiveness has brought with it new audiences and new partners. Their work has built bridges between high quality work and local communities and will help

to ensure future viability. There are many other examples of similar projects in the region, too numerous to mention, but all of which provide moving evidence to contradict the motion.

Against The Motion – Alan Rivett

I oppose this motion because I don't recognize it. And I think you should too. I think it's a bald attempt to stress you out. I come from an organisation that is light on its feet and that knows the relationship between artefact, art, programme and how to take it to a market.

I think the notion of "subsidised arts" is also old hat. There's not enough subsidy to go round so we're all in a plural economy and we're all working hard in a whole series of ways to give back value. I can give you two examples of activities that we've been involved in at Warwick – *Shockheaded Peter* and *Jerry Springer the Opera* – neither of which would have existed without subsidy and both of which worked in a hybrid way with the commercial sector, for the benefit of huge audiences. If there had not been any subsidy those things wouldn't have happened.

And "an ever changing society" – that's a tired old phrase. Society changed when they invented television, when the printing press arrived and when mobile phone technology was invented. Don't be fooled. This motion is saying that you are not recognising that change is happening and I'll quote you back the sort of punishing things that the proposers of this motion are saying about you later on. Not only are they suggesting that you don't know that society is changing around you, but that you can't modify your behaviour or your professional activities accordingly.

I want to argue, more importantly, that art is a public good, like health and water and warmth and social services. By commodifying it in a competitive way, not just with other arts organisations, because largely the research that I've seen recently suggests that the arts organisations aren't competing with each other but with other leisure activities, but if we play that game, we're commodifying art and thereby degrading it. So I oppose the motion because if we support it we degrade what we do.

Then let's just think about the reality of what we do. Competing with what? My experience of most subsidised arts – and it's interesting looking at the delegate list that there's no-one here from what I would call a bastion of subsidised arts – takes place in organisations constituted as charities. In Department of Trade and Industry terms arts organisations are SMEs if they're lucky, but most of them are micro businesses, with a turnover smaller than a well-stocked high street off-licence.

I run a cinema. It has a marketing budget of c.£30,000 per annum with 150 different titles each year. If you talk to commercial operators of multiplex cinemas they're having a really bad time. Their marketing relies on someone sitting at a desk booking TV advertising for blockbuster films which appeal to the 12-25 age group. I play to 65% of capacity and they're playing to 30%. There's no

competition. You are doing an extraordinarily good job. So if you want to beat yourselves over the head, vote for the motion, but if you want to agree with me that we're competing extremely well in a difficult market then oppose the motion.

Against The Motion: Felix Cross

At the core of subsidised arts are subsidised artists: artists supported financially by public funds, trusts and foundations. As an artist, if we were having this debate ten years ago I must admit I would have found it difficult to speak against this motion. The public funding of the arts was stagnant, depressed and probably had been for a number of years. The cake was getting smaller in real terms but naturally everyone was fighting to ensure that their annual slice remained the same size, with the same thickness of icing and the little chocolate buttons on top. Forget crumbs – every year the plate was licked clean. The funding bodies responded by evolving into a labyrinthine system of strategies and reports. Organisations in turn were terrified of alienating and thus losing their second thread of life – core audiences. These core audiences, getting older and more infirm each year, were deemed to know what they liked and it certainly wasn't "risk-taking", "young" or "street". It was definitely not anything "loud", "bright" or "black". It was less "hip-hop" and more "hip replacement".

Then one bright Spring morning in 1997 it all changed - a brave new world. Overnight we got a Prime Minister who played electric guitar, a Culture Secretary who was cultured and a Tory opposition leader who wore a baseball cap to Notting Hill carnival. Suddenly "street" ceased to be something you trod on. The funding system discovered the word "urban". Slowly, at first, but surely enough, the cake got bigger. The same people got the slices of course – larger even. But, lo! There were now crumbs, morsels even. Artists like Soweto Kinch and Benji Reid were getting mouthfuls. It has changed, to the extent that I do not know of a single new, young, dynamic, ground-breaking artist that relates to the many diverse communities who is not directly or indirectly supported in some way by financial subsidy. It may be a commission, a gig played in a publicly run venue, a marketing initiative or a trainee scheme. And it is the funding system that is leading the way. Take the example of the Eclipse report – an Arts Council England initiative, not a commercial imperative. It had everyone battening down the hatches when it first came out. "Everybody is going to have to be black." And now what's happened? Hip is so hip that everybody wants to be black - or at least mixed race. You don't believe me? Put on a tracksuit and a pair of trainers and walk into any publicly funded venue in the country and shout, "Hey, I've got an idea for a new hip hop musical." You'll get mown down in the stampede for your signature whilst they frantically try to introduce you to their new black senior marketing assistant. I contend that the funding system is well.

Floor Debate

[Orlan Brook, Audiences London, Floor]: “I wanted to ask both sides of the debate to respond to research published recently that, in terms of health and social services at least, people would prefer to have a good service than to have choice.”

[Stephen Cashman, For The Motion]: “It doesn’t matter. What does matter is that we have the intelligence about what people want in the first place and actually think about running our organisations in an internal way that enables you to go out there and compete, not just against other organisations - that’s small scale thinking - but against all those factors in the outside world that endanger arts organisations. Unless we start talking about the big things we’ll find that while we’re re-organising the deckchairs on the Titanic we’re going to find that we’ve hit an iceberg.”

[Roberta Doyle, For The Motion]: “If we accept the point that was made earlier about the arts being degraded by commodification; if we accept that we as arts organizations are defining what is good in the arts because the arts are beyond the idea that the consumer shapes what is being produced or shown in the gallery then we also have to accept, in terms of that notion, that we’d rather have a good service than choice because they don’t know what a good service is in the arts. So I would respond to that by saying that if we continue to define what is good in the arts then that becomes a meaningless proposition.”

[Alan Rivett, Against The Motion]: “I wholly disagree with that. Art is about artists. We have the most fantastic artists in this country and it is about putting their work in front of an audience. If you tender it – let’s imagine producing a tender document for the show I’m putting on tonight which is a Declan Donnellan directed, Cheek by Jowl production of *Othello*. You might get five hundred responses to your tender for a production of *Othello* but it’s unlikely that Declan Donnellan would be amongst them in that process. So I think that artists by their very nature will provide you with choice and that the question is we run away from is one of quality. So, in trying to answer your question about choice, I would limit choice. I think actually people need excellence – really good art which artists in this country and internationally can provide and we need to address the quality issue first of all.”

[Trudi George, For The Motion]: “For me it seems quintessentially wrong to say that only artists can produce art. What happens at the interface when the audience has a role in shaping and evolving the process of art? If you say we will only ever put something on and the artist will be met by an audience, you’re missing the whole beauty of having a dialogue with the audience and enabling them to have an impact on the future of art in this country. I can see what you are saying in terms of choice versus quality – but you have to enable those people to tell you what they think quality is.”

[Alan Rivett, Against The Motion]: “You’re pre-supposing that artists are some cocooned, fashioned people who have no links to audiences, or don’t talk to them, or don’t sometimes assimilate what people think.”

[Trudi George, For The Motion]: “What I was trying to say was, let the audience have a role in shaping and evolving that very thing that you’re putting on for them because they might not want what the artists want.”

[David Dixon, For The Motion]: “Just as a side issue, I’m working in the health service at the moment doing a fundraising project for the Radcliffe Hospital for the cancer centre and I’ve been interviewing senior consultants and they are, in a sense, exactly the equal of senior artists, in their expertise and passion for what they do. But boy are they competing – they really know that their reputation is what drives them forward and they’re meeting that head on.”

[Felix Cross, Against The Motion]: “If I could change one word in that motion I would take the word ‘competitive’ out because I think it is misleading and I would change it to ‘relevant’. Because actually competition in the arts, unless you’re talking about a bunch of actors sitting in the green room waiting to be auditioned for the leading role, or talking about various arts organisations all chasing one small pocket of funding, is a meaningless statement. The idea of it being ‘relevant’ to the ever-changing society is the important bit. As for the ‘subsidised arts’: there are so many artists who in one job are working in the subsidised sector and then have to take an afternoon off from rehearsals to go and do a commercial and then they go on a West End tour, both sectors are mixed up.”

[David Dixon, For The Motion]: “I’d also like to take the word ‘competitive’ out because then the motion asks whether the arts are doing enough to *remain* in an ever-changing society, which is really what we’re talking about.”

[Paul Kaynes, Birmingham Arts Marketing, Floor]: “Since 1986 Arts Council England has been collecting its TGI data, measuring the proportion of population who say they attend any one of eight art forms and the figures that were published last year were the highest they’ve ever been for almost every single art form. The exception, the one art form that actually went down, was cinema. Classical music, opera, contemporary dance – the percentages for all of these art forms went up by a significant amount. Which ones are subsidised and which one isn’t?”

[David Dixon, For The Motion]: “I came by train and at my station there was a big sign that said ‘this year we carried over one billion passengers, the highest for forty years.’ This suggests, as you’re suggesting, that because there are high attendance figures, that the trains are clearly much better now than they ever have been and that the train companies are doing a magnificent job. Society has more money so people will drift in to galleries and theatres if they have a lot more money, but that doesn’t

mean we're actually doing as much as we could reasonably be doing to get them there in the first place and, perhaps more importantly, to keep them coming back once they've been."

[Stephen Cashman, For The Motion]: "I think bringing up TGI illustrates the danger of not looking wider at things. The first person who taught me about accountancy said, 'Don't worry about the numbers, look at the shapes.' So we mustn't just look at the data for last year, let's look at the data for the last ten years. With TGI it looks like the overall trend is either static or slightly declining. So, instead of congratulating ourselves on how well we did last year, there's a real case that we still could do better if we look at the big picture."

[James Gough, AMH, Floor]: "Just to add to that, although the overall percentage of arts attenders has increased, the percentage of one-off attenders has also increased, while the percentage of core attenders has decreased. So, we're looking at the core having decreased from around 20% to around 18%. We may be getting more people to come and see us but they're certainly not coming as often as we'd like them to."

[Roberta Doyle, For The Motion]: "I'd like to follow that up by quoting the opposition's point about the increased subsidy. If we are increasing subsidy then perhaps we ought to assume that one of the successful outcomes of increasing the subsidy is that you will be creating more attendances. Does that mean, though, that in order to continue increases - if we do have increases uniformly across all the sectors and we won't have, certainly not in Scotland - does that mean that we just keep on increasing subsidy indefinitely in order to boost those increases?"

[Felix Cross, Against The Motion]: "The reason why you're getting more people coming maybe once or twice is because venues are offering a far more diverse array of types of work. In the bad old days when you only got Ibsen, followed by Chekhov, followed by Shakespeare, followed by Joan Collins on tour, then of course you only got a set of people who liked those products, are loyal to their local theatre and went to every show. But the world is changing. You're now addressing a far wider spectrum. We have a show called *Slam Dunk* on tour where at some venues we are the first black show that's been there for ten years while at other venues we are part of a season that we sit comfortably in. It's all changed and you're not going to get people today coming to every show you do come what may."

[Alan Rivett, Against The Motion]: "I'm intrigued also by this interaction about TGI. What's missing from that is the notion of quality. My understanding over the last twenty years is that what we've been doing is improve the quality of the art and that goes across the board in terms of theatre, dance and all kinds of music, as well as the previous point made about diversity. Now we all know that it's not just bad PR: the train companies have not improved the quality of the ride. They may have carried more people, but what the subsidised arts has actually done, and there has been a significant improvement in

investment, is improve the offer. That has allowed us to be, and will allow us to remain, competitive and that is because the quality of the work that we're putting on across the board has improved."

[Matt Smith, New Theatre, Floor]: "I was interested to hear that companies should be punished for being un-competitive. Does it logically extend, therefore, that programmes like the stabilisation funding that's been taken advantage of should be removed because these companies clearly failed to live within the level of subsidy currently enjoyed. And how would Stephen explain to the many thousands who enjoy the work of these organisations every year that perhaps they've been following the wrong team all along?"

[Stephen Cashman, For The Motion]: "Yes and yes. If the organisations and operation can't wash their face, they should clear the space for someone that can. The secret of that is competing better."

[Kieran Cooper, Catalyst Arts, Floor]: "If we look at it from the other end of the telescope, huge things have happened in ten years. There is a massive amount of choice of alternative things people can do, including multi-channel television, etc. Can it not be said that in order to have maintained, or slightly reduced, the level of arts attendance in the country, that arts marketers and arts organisations have been doing a fantastic job to stem what could have been a major loss of attendances over that time?"

[Roberta Doyle, For The Motion]: "That is the most depressing thing I've heard. That really is rearranging the deckchairs on the Titanic."

[Lucy Shorrocks, Welsh National Opera, Floor]: "Stabilisation as a process has given our organisation time to look at the business plan, to do things like 4pm performances on a Sunday, enabled us to drop prices at particular venues and enabled us to revisit how we do things. So the process has enabled us to business plan effectively to reach more people and to ensure that the taxpayer gets a much better rate of return from their investment with us."

[Stephen Cashman, For The Motion]: "Yes, but therefore you have demonstrated the point that actually you have become more competitive."

[Alan Postlethwaite, ts.com, Floor]: "This motion is about the subsidised arts remaining competitive. From a parent's point of view, in Oxfordshire my children were both given three or four opportunities to attend the arts at less than £5 each. Since moving to the East Midlands, only one child has been given one opportunity to attend event at a cost £15. So regional differences may be undermining whether we are competitive."

[Sarah Gee, CBSO, Floor]: "One of the things subsidy allows organisations to do is divert money into education and community programmes and to subsidise the cost of tickets for young people to attend events for the first time. On that basis, the subsidised arts do have a role and are moving in the right direction, but perhaps they don't have enough money or expertise, in some cases, to do everything they would want to."

Closing Remarks – For The Motion (Stephen Cashman)

“I want to assure you we’re not trying to stress everyone out. What this motion is about is something that we feel is deeply important, that is vital to the perpetuation of the arts and that is getting more streetwise about competition. I suggested issues about not having a big enough definition of competition, about being naïve and about complacency. If we get more competitively effective we can actually do more for the arts, even through to ensuring we have more transformational experiences. Roberta suggested we need a “can do” culture and that organizations need to grow from the inside and build outwards. David suggested recognising the importance of evidence and retention. Trudi highlighted the issue of choice and how, as choice extends, competition will get more intense. This house believes great art deserves great management and great management entails being competitive in a great way. But we need to up our game because our artists, our arts and our audiences deserve it.”

Closing Remarks – Against The Motion (Alan Rivett)

“You’ve followed an argument from Felix about diversity and artists; from Ros about the value of the subsidised arts and from Charles and me about public good. You know you have to oppose the motion and that these arguments stand up. But we can also tell you what the opposition have said of you:

- You have a limited notion of competition;
- You’re complacent;
- You ignore big factor competition;
- The roof and sides of the tunnel are going to come in on you and it’s your fault;
- You’re moving the deckchairs on the Titanic as it’s sinking;

and those were all Stephen. And then he wanted to punish you. Roberta thinks you lack a “can do” culture, David humiliated you for lack of knowledge and Trudi thinks you operate in a vacuum. Now our team doesn’t think any of those things apply to you. We think you’re fantastic. We think you’re skilled, competent, resourceful, imaginative, innovative and if you vote for the motion you will be like turkeys voting for Christmas. If you want to give yourselves a vote of confidence, vote against.

In a tight vote the motion was defeated.

Keynote: Positive Psychology and the Science of Well-Being

Dr Nick Baylis, Lecturer in Positive Psychology at Cambridge University & Times Columnist

Positive psychology is the systematic study of lives that go well: healthy, happy and helpful, both for the individual and for the communities in which we live and work. Positive psychology was developed in 1998 in the United States by Martin Seligman and quickly garnered \$30 million of support. Although I'm the first and only lecturer in positive psychology at the present time, I think over the next five years you'll hear a lot more positive psychology. It is only one part of a larger science, the science of well-being. Well-being is any state in which we can thrive and flourish. I should point out too that positive psychology and the science of well-being aren't just about happy lives but about all the good things in life - strength, human kindness, love, friendship, resilience in the face of adversity and beauty.

It's timely that this science has come to the fore now because there is ten times more depression than there was in our grandparents era and that's not an accident of analysis or research. The average age of a first serious depression was, fifteen years ago, at about thirty years of age. Now the average age of a first serious depression is fourteen and a half. So something is going on and we know that obesity and eating disorders are rife among men and women. So there is no better time than now for positive psychology and the science of well-being.

What can these sciences tell us? It is interesting that the 2002 Nobel Prize for Economics was won by a psychologist. Professor Daniel Kahneman, a Princeton psychologist, received the prize mainly for pointing out to economists that people are not logical and that this was why the bankers and economists' graphs weren't working. People aren't linear: they have ability for logic but they are not logical and there is a significant difference.

Take some interesting examples. I was brought up, certainly with my father's influence, that money would equal happiness. He was wrong. We now know he's wrong. I think my grandmother always told us he was wrong but now science can confirm it. Lottery winners, within one year of winning their millions, rate themselves as no happier with those extra millions than they were before they had their windfall. So it takes about a year for their sense of happiness to get back to normal. There seems to be a self-righting mechanism. The good news is that it also works the other way round. If someone is tragically made paraplegic, for example, I had always assumed that life was in some way ruined. On the contrary, nature is cleverer than that. Within a year, once again, that individual will rate themselves about as happy as they were before the tragedy of their illness or accident.

So we are very poor judges of what will make us happy and what will make us sad. Because we are poor judges of where our passions in life lie, we often wrongly invest ourselves in trying to earn status or extra money and we go off on wild goose chases and then are disappointed when we get there.

So, if money isn't going to make us happy, what is? The breadth and depth of our personal relationships is the largest single source of our sense of enjoyment in life and the happiness that exists within communities. So if we are to invest ourselves, if we're trying to improve our quality of life, we should do that by teaming up with people, partnering up in social intimate relationships: best friends, good neighbours, joining clubs.

Bob Putnam, Professor of Social Policy at the John F Kennedy School of Government at Harvard University, probably America's leading social commentator, has brought out a book called *Bowling Alone*. His theory is that up until about 1960 we would come home from work and go out to a club – go out bowling or to a debating club or a book appreciation club, and it was a very healthy thing to do. Putnam terms that teaming up as “social capital”. What then happens is television. In 1950 the first TV arrives in domestic homes. By 1959, there is 90% penetration in all homes in America. Britain follows suit very fast. There is 10% more TV watching every decade from the 1960s onwards. We just want to watch more and more and more. The average adult will watch three hours a day, seven days a week, at a conservative estimate. Most adults say they watch too much television. We know we're watching too much and it's changing the way our societies work. Since the 1960s, the TV graph goes up, with more TV being watched, and the club membership graph goes down. And so do all the other good things in the community that we would like to happen – health, education, etc. all reflect this reduction in our social capital.

Of course, there has been a coming together of certain influences: the exponential progress in technology, where the power of the micro chip doubles every year and a half, has meant that communication and physical mobility has split us up, it has divided us and thrown our communities and ourselves into a certain chaos. Whether it is grandparents or families or schools, we don't spend time mentoring other people any more, talking to them about how they could deal with the calls upon their resources. So there are greater demands on us as individuals and families and groups but less resources in terms of advice on how to cope with these demands.

I think this ties in with the arts because if you are watching three hours of television you're not going out of the house. And if Putnam's right, social capital equals health. Just to give you a little example, if you smoke twenty cigarettes a day and are not a member of a club, it is debatable which would be healthier – to give up the cigarettes or to join a club. I was so impressed by the statistics presented by Professor Putnam in *Bowling Alone* that I immediately went and joined a Sunday morning soccer club and it is one of the highlights of my week.

What I would like to contend, is that the arts has something to sell here, because we can argue that we know what makes for a better life – it's teaming up, and there is good evidence to support that. Besides, we all knew that putting in extra hours at the office, reaching for higher income and higher status weren't satisfying: we have discovered that for ourselves, but it is reassuring to have the comfort of reading about it and hearing about it and exploring what we mean by teaming up.

We also know that humans need to see the human condition - life portrayed and modelled whether in art, physical performance or storytelling. This is an essential human need and I think that television, for example, is an extremely poor way of portraying that. So I would like to suggest that positive psychology and the science of well-being are natural allies for the world of the arts because it is in teaming up and leaving our homes – to play sports, to go for a walk in the park, to go and see the human condition portrayed on stage – that we have a convincing argument in terms of physical and psychological health. And there is a great deal of evidence out there. For instance, there is a Professor of Health at Harvard who pointed out that the extra hours of television that you watch correlates directly with obesity and weight gain.

It is a hard battle to fight, but just think what we achieved with drink driving or smoking – it is a number of years, not decades, before people change completely. Just recently I was invited to front a campaign for a brand of coffee and I couldn't think why they were so interested. It was because they are losing 10% of their market per year in the U.K. because people have decided that drinking coffee is bad for them. That is how sophisticated and ready for change I think our audience is. So, I think if we went to them with a story about teaming up and going to see a show, we've got the evidence to back that proposition up. The only piece of the puzzle that I think we may be missing, and we could collaborate on, is if we could prove that television is destroying them and their children and their friendships. As Bob Putnam puts it, we don't make friends any longer, we watch *Friends*. The research is probably out there, but I think we need to bring it together to demonstrate what a difference seeing the arts makes psychologically and physically. It would not be too much to commission a good quality definitive study to put the cat among the pigeons and then I think we'd be away and we'd be talking years, not decades, to change the entire mindset of the viewing public.

Keynote: Apathy and Anti-Apathy: Re-engaging Citizens

Deborah Doane, New Economics Foundation and Anti Apathy

I spend most of my time talking to businesses about the problems of the world, from climate change to global poverty, inequality, bio-diversity and so on. You can imagine the subtle rolling of the eyes I get around the boardroom table. Then they'll do something to make you go away and I often ask myself, is that apathy or is it something else?

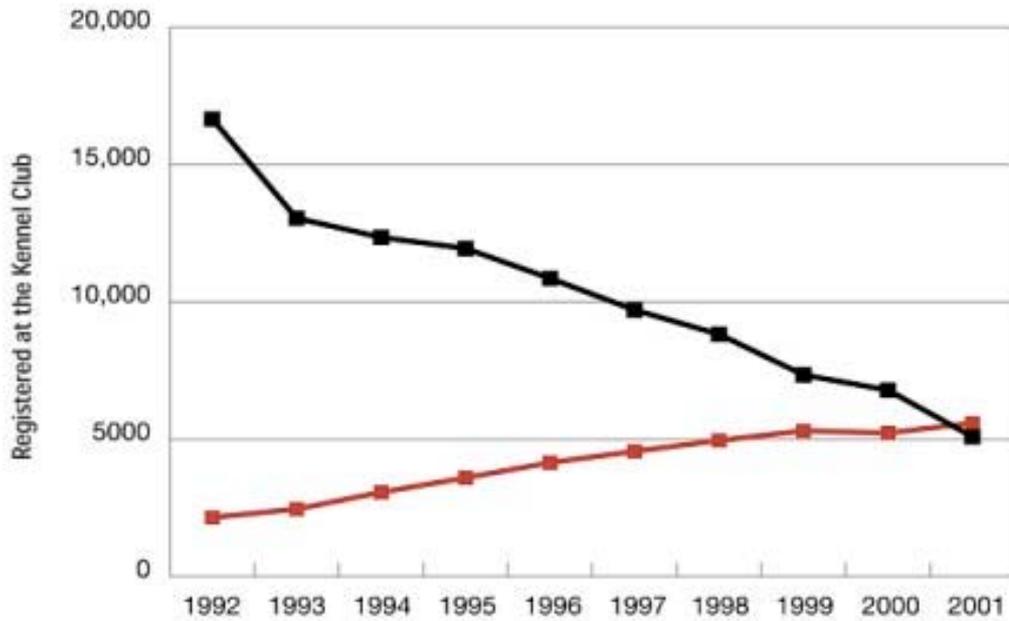
Apathy is defined as, “A want of feeling; privation of passion, emotion, or excitement; dispassion” and some of the synonyms are: “Insensibility; unfeelingness; indifference; unconcern; stoicism; supineness; sluggishness”. At first glance, I do not think that this is what people are feeling.

So, what do the statistics tell us? Voter apathy tells us a story - people are not engaged any more in politics. Only 51% of people intend to vote in the next election (down from a turnout of 59% just two years ago); fewer than 5% of people belong to political parties and only 39% of 18-24 year olds voted in 2001.

But I asked the question, is it something other than apathy? 36% of people – over one third of the population in the U.K. - believe that getting involved could actually change the way things are run within their communities and U.K. society. That is actually quite a large percentage given that only 5% of people join a political party. Seven out of ten people from black and minority ethnic communities feel disengaged and feel that what is on offer isn't for them. Only 17% of people see a great difference between the two main political parties and trust in traditional institutions is declining. So, is it apathy or is it an issue of trust?

What I often get from people in the boardroom is people saying, “I'd like to do something but...”. So we need to get beyond the “buts”. In other words, there is a germ of a need for action, but people often are not sure *how* to feel engaged. I've been working for the New Economics Foundation and a couple of years ago we put together a paper on trust in business. What we did was put together a Rottweiler Index:

NEF's Rottweiler Index



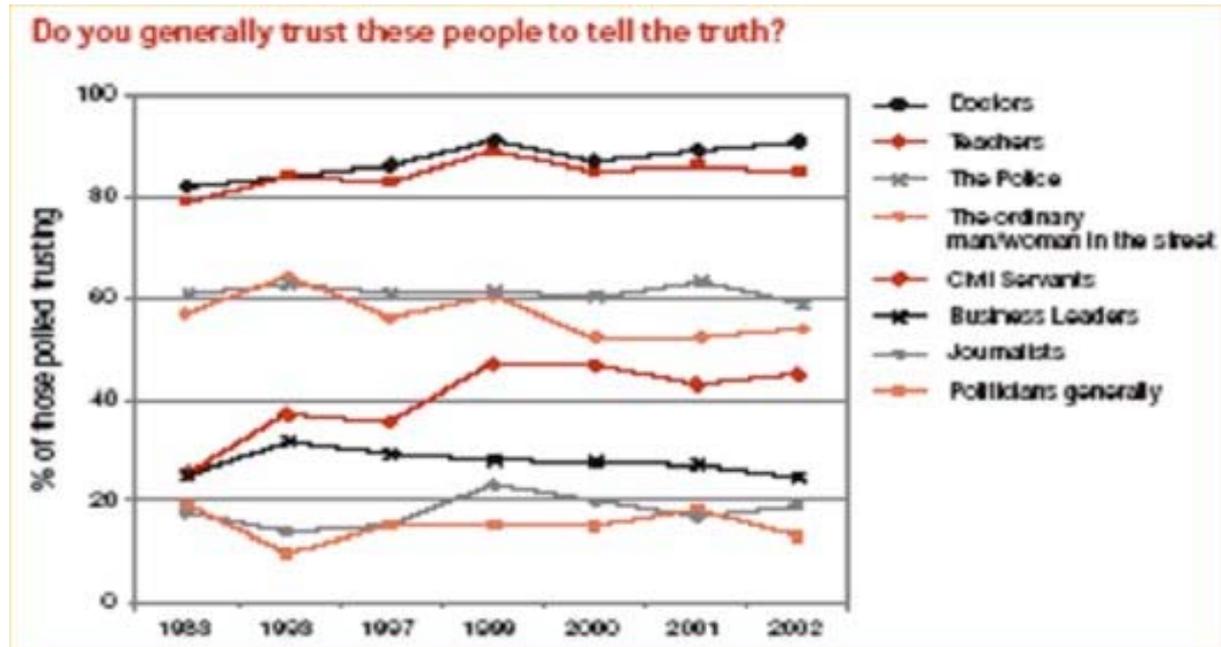
Rottweiler



Yorkshire terrier

We looked at the ownership trends of Rottweilers and Yorkshire Terriers and saw the ownership of Rottweilers outstripping the ownership of Yorkshire Terriers. So, is it a fad or a fashion or something else? Why do people own Rottweilers, which are considered to be dangerous and not sociable dogs? Interestingly you could plot the same graph for the number of doctors versus the number of lawyers. We have fewer doctors and the number of lawyers is starting to outstrip the number of doctors. We thought this was a symptom of an issue around trust.

When we looked at some of the numbers around trust we found that people didn't trust politicians, journalists and business leaders:



So, how is this relevant to the talk about apathy? Well, I think that apathy is less of an issue than people not knowing how to feel engaged or trusting. This is demonstrated in two case studies – The Ethical Consumer, based on a report for the Cooperative Bank, and Anti Apathy.

What is the Ethical Consumer? 83% of consumers intend to act ethically on a regular basis and ethical purchasing and consumption is a big growth area. The Ethical Purchasing Index looks at a basket of goods, so that is certainly not the total ethical marketplace, and in 2002 found the value of ethical consumption at £19.9 billion. Of course, there is also a grey area between ethical consumption and unconscious consumption, but looking at a basket of deep green ethical products found they were growing at a rate of 20% per year, which is substantial when compared with regular economic growth of 2-3%. Now a lot of these brands are young brands, so there is greater room for growth versus traditional mainstream corporate brands, but there are products that are making huge inroads. Fair trade coffee now occupies 15-16% of the coffee market in the U.K. Other products have become quite mainstream like organics, although many of the people buying these products don't necessarily choose them for ethical reasons, and there is a difference between making a purchase for an ethical reason, in order to have an impact on something or someone else, versus what you're trying to do for your own personal well-being. Energy efficient products (ABCD rated appliances) are now capturing between 60% and 80% of market. To me, this is not apathy but people trying to find a way to be engaged.

Now, I said that 83% of consumers have an intention to act ethically. In practice, however, people are only active about 18-20 % of the time and only 5% of people are hard-core in all of their purchasing decisions. However, we see a large value in ethical boycotts – £2.6 billion lost to business every year as a result of ethical boycotts. One of the reasons is that it is much easier to opt out than to opt in.

But people do want to act. When we looked at consumers who were boycotting products, they say they positively intend to shop locally, as much as they can away from the big brands.

This was why we set up Anti Apathy two years ago. The New Economics Foundation did talks at the ICA in London on sustainable development, poverty, consumerism and so on. The talks would sell out, but they were really preaching to the converted. Other people did not want to come and listen to speakers talking about things that they already know but things where they don't know what to do about them. So Anti Apathy was devised – a cultural campaign designed to connect the politically drained and disengaged citizens with key issues of our times, to help create a more just, democratic and sustainable world through awareness and action. What Anti Apathy tried to do was to occupy the space between Westminster and Reclaim the Streets, the anti-globalisation activists, because neither traditional politics nor activism was engaging the right range of people. Anti Apathy was an alternative that began with club nights where we had film, music and talks. We set up a website and found people round the world asking if they could set up their own Anti Apathy. Anti Apathy then moved on to self-help, giving people a tangible list of simple things they could do to overcome what some people call apathy but what we thought was more not knowing how to get engaged. It then set up some simple social actions. What Anti Apathy did was it got a dozen people to boycott supermarkets for a month and keep an online journal of how it felt. It got an incredible response from people logging on to the website and these were some extracts from the journals:

"I'm realising rather sadly that I'm much less dedicated to ethical consumption than I thought I was."

"I thought I'd be back in Sainsbury's like a shot but actually haven't been to a supermarket yet. Seem to feel like I don't want to – I guess I've got into a new habit without realising. Hurray!"

"I have been doing my calculations and have worked out that I personally have diverted from the supermarkets £400 for the month of January. Multiply that by 12 (though I don't presume you all spend £100 per week on food) - that's £4800 spread over London. Not bad at all."

One person said that it now takes two hours to cook every night, because their organic box needs so much cleaning, but that they got a kiss from the local shop owner: that's the social capital element.

In summary, it is not about telling people what to do and saying they have to do more to help the world: it is about reinforcing the fact that people have choices and opportunities. It won't just have a positive influence on someone halfway round the world; it also has a big impact on individuals. We're doing another action with the next set of elections – we've got a number of people who have opted out in the past to speak to local politicians alongside people who are new voters. So it is not about apathy but about recognising you have a choice, that there are alternatives and that the value back to you as an individual of exercising choices is enormous.

Keynote: Using Socio-Demographic Profiling to Obtain Competitive Advantage

Rob Haslingden, Experian

Why segment and profile your customer base? We look at it from two angles. One is for your positioning strategy, learning how to appeal to the right customers at the right time with the right product, but also as an economic strategy in terms of maximising yields and investments in terms of marketing and customer service. I thought I'd start with what Experian know about the individual and I'm going to tell you about me. This is a spreadsheet I've compiled, showing what Experian knows about me, and my wife, on the basis of submitting my name and address to the Experian database.

First name	ROBERT	ANN
Second initial	C	P
Surname	HASLINGDEN	HASLINGDEN
Address 1 House Name		
Address 2 House Number	83	83
Address 3 Flat Name		
Address 4 Street Name	NEWSTEAD AVENUE	NEWSTEAD AVENUE
Address 6 Post Town	ORPINGTON	ORPINGTON
Address 7 County	KENT	KENT
PC Experian 2002 Postcode	BR 6 9RW	BR 6 9RW
Person Information		
(P) Gender	Male	Female
(P) Age	36-45	36-45
(P) Marital Status	Married	Married
(P) Head Of Household	Yes	Yes
(P) Length Of Residency	6 years	6 years
(P) Directorships	No	No
(P) Shareholding Value	Low Value Shares	?
(P) CCJs - County Court Judgements	None	None
Household Information		
(H) Income	Available on Request	?
(H) Lifestage	Mature Family	
(H) Residence Type	Semi-Detached	
(H) Tenure	Owner Occupied	
(H) Household with Children	Yes	
(H) Household Composition	Family	

(H) Small or Home Office	No	
(H) Property Council Tax	Band E	
(H) Property Value	£225,288	
Consumer Segmentation		
(H) UK Mosaic Group	Suburban Comfort	
(H) UK Mosaic Type	Provincial Privilege	
(P) Financial Strategy Segment Type	Men Behaving Well	High Flying Women
(P) Financial Strategy Segment Group	Professional Heights	Professional Heights
(P) Touchpoint Channel Type	Calculating Innovators	Value Driven Switchers
(P) Touchpoint Channel Group	Rational Consumers	Rational Consumers

I could have revealed my annual income but have chosen not to. Consumer segmentation tells you a little bit about where I live and something about my financial services behaviour. So this gives you an indication of what Experian knows about every individual on the basis of just providing a postcode, address or name and address.

So we have a lot of data in terms of household demographics and what we then do is overlay that with census data. We have just finished processing the census in order to reclassify neighbourhoods.

What we end up with is geo-demographic classifications. When I typed in my postcode to the Experian database, this is what it came up with in terms of the classification for my neighbourhood.

The screenshot shows the 'Multimedia Guide to Mosaic: UK' interface. The main profile is for 'A05 Provincial Privilege (1.66%HH)'. It features a central image of a woman in a white shirt holding a blue mug and a man in a suit reading a newspaper. To the left is a vertical navigation menu with categories: Background (A-K), Profiles, and Mosaic. The main content area includes a 'Mosaic Lookup' section with the postcode 'BR 6 9RW' and a 'Rank Order' of 13/61 (215). The profile is identified as 'Financial Times'. On the right, there is a 'Portrait' section with the name 'Iain and Isobel', an 'Age Rank' of 43/61, and a 'Wealth Rank' of 4/61. Below this is a 'Regional Distribution' pie chart showing the following data:

Region	Percentage
London	13.14%
South East	22.04%
East Anglia, Midlands, South West, Wales	26.53%
North, North West, Yorkshire	23.65%
Scotland, Northern Ireland	14.37%

The collage is intended to illustrate the type of area in which I live and you've got some reference on the right of the collage to common first names and get a feel for regional distribution. The collage is obviously not me as an individual, but it is indicative of the neighbourhood in which I live overall.

We can classify in the context of eleven social groups or, if you want to get down to more detail, 61 types. This table gives an indication of the household percentages in each type across the country:

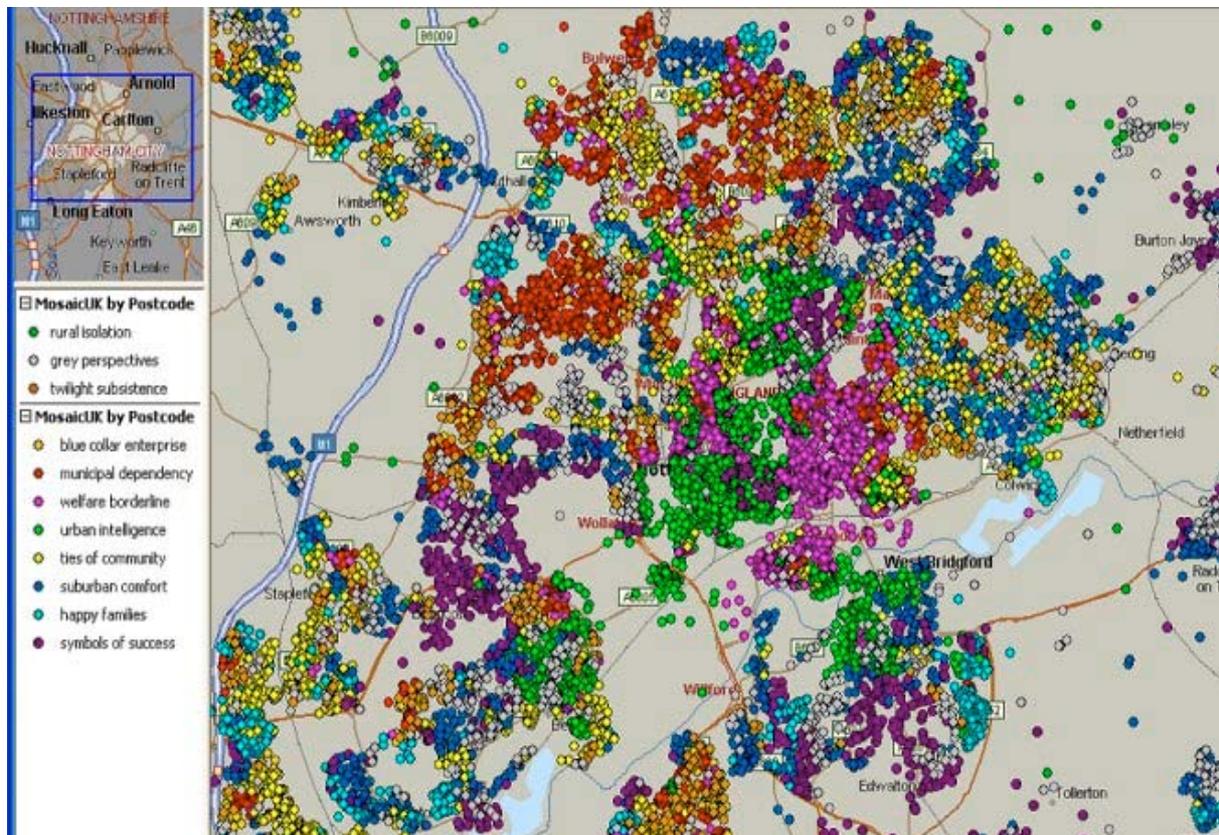
A - Symbols of Success	9.62
B - Happy Families	10.76
C - Suburban Comfort	15.1
D - Ties of the Community	16.04
E - Urban Intelligence	7.19
F - Welfare Borderline	6.43
G - Municipal Dependency	6.71
H - Blue Collar Enterprise	11.01
I - Twilight Subsistence	3.88
J - Grey Perspectives	7.88
K - Rural Isolation	5.39

Now you can link this information into softer measures of consumer behaviour derived from market research. So, for example, we can look at this in the context of the health and fitness market: we're spending more and more on our body and health yet we seem to be more, not less, troubled by it. When we link this research back to MOSAIC we come up with trends in terms of some of those typologies.

A - Symbols of Success	Cash rich, time poor, informed and health conscious, pampered but not puritanical, health is a holistic lifestyle, exercise is for appearance but not as a fashion statement. Spend on gym membership high, but under used.
E - Urban Intelligence	Work hard, hedonistic, erratic diet, health & fitness is all about appearances, fashion, style and sex. UK's second highest spenders on gym membership
H - Blue Collar Enterprise	Limited incomes, worry about health, but do little about it, live for the moment, fun loving, exercise is about weight control rather than a lifestyle. Maximise use of public facilities for fitness.

So, linking the harder demographic data back to some of the softer lifestyle information provides a rich tapestry of data in terms of what is happening in British society. The great benefit of this type of data is you can link the audience to the location. The ability to be able to identify who your audience is and where they are on the ground has been a potent catalyst in terms of marketing in the last 25 years. This map shows the concentration of some of those different lifestyle groups around

Nottingham, with the areas in purple being higher income, higher social status groups, the areas in red being the lower social status groups:



So, has the processing of the most recent census data changed our view of British society?

Undoubtedly it has. We've been doing this sort of analysis for 25 years and over that period of time the way we've structured and classified British society has changed. We're now seeing more dimensions of affluence. In Mayfair, for example, only 54% of the residents were born in the U.K. Mayfair also had the lowest response to the census, with only 64% responding to the form. We are also seeing the changing social structure of the countryside, increasingly linked to people making a positive lifestyle choice to move to the countryside. They are also making a positive choice, therefore, to spend more time commuting to work. Equally what we are finding is people living in the countryside that are not employed in traditional agricultural professions but in tourist occupations or in support of service industries. We are also finding many retired people retiring to the countryside rather than the seaside, particularly those with high levels of disposable equity.

We also have the growth of child free city centre apartment lifestyles. This is driven by the government's desire to redevelop brown field sites in urban areas. These people are "seriously single", leaving getting married and having kids until much later in life and, sometimes, not having children at all. A worrying trend is that the replacement birth rate in the country is on the decline. In

Italy the average number of children born to a household is just one per house, which for a Catholic country is quite remarkable, but it means that it is not replacing its population and we're not far behind in the U.K. In Lambeth, 45% of the households are occupied by singles.

We are also seeing expanding student enclaves. Year on year, student populations are growing – last year by about 3% - and the problem is that student halls of residence cannot cope with the volume. So, students are tumbling out into the areas around campuses and universities. This trend is fuelled by people's desire to become landlords and the growth of buy-to-let mortgages. So, accommodation that was traditionally occupied by families around universities is now being let to students, causing the expansion of the student enclave around a university campus.

We are also seeing the growth of new Asian middle class suburbs. Places such as Gants Hill and Slough – traditionally white middle class suburbs - are now increasingly being populated by the Asian middle class.

The pattern of council housing is also becoming increasingly complex. We associate the right to buy our council house with classic Thatcherite policies but actually sales continue apace. In the first phase of activity, the people that had enough money to buy their council houses on their own did so, but since then there has been a disposing by Local Authorities of larger council house developments to Housing Associations or combinations of tenants clubbing together.

Finally there is the polarisation of the grey market. I touched on it when mentioning people retiring to the countryside, but there is now a very distinct polarisation between the affluent greys, who have saved and worked hard in terms of pensions and investments, and the poorer greys who are predominantly women dependant on state benefits.

So, those are some of the key societal trends that have emerged on the back of the analysis that we have done on the neighbourhood and socio-demographic data to date.

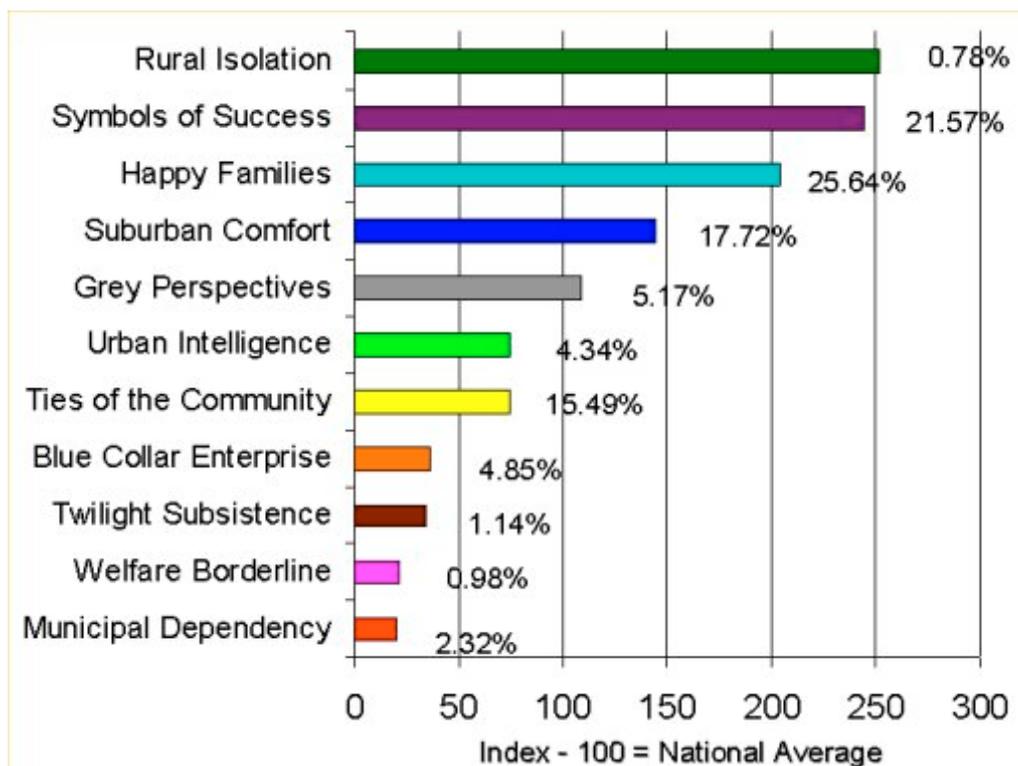
Hopefully I have demonstrated that there are lots of ways we can analyse data and that even someone's postcode is quite a potent source of information. This analysis has been fuelled by the growth in technology as we now have greater computing power to crunch data more readily. The growth in technology also means that you can use this data, *e.g.* on a website to personalise content that is served up to someone once they log in.

All of this becomes important because media fragmentation means mass media, overall, is much less effective. But you can also link this information with transactional data. By combining demographic information, to better understand the types of people that are interacting with you, with transactional data, to understand about how much they are spending with you and what products and services they are using, you can develop a rich source of information.

So, how do we then use this rich source of information for commercial benefit? This is a brief case study relating to health and fitness, to do with some work we did for a national hotel chain that also runs a leisure club as part of their facilities and which had put together a significant expansion plan. They serve quite a broad spectrum of markets: leisure breaks, corporate travel, conferences, health and fitness club, public house, restaurant but here we are looking in context of the health and fitness market.

The client collects membership data, names and addresses, including postcodes, from current members. Lapsed members were excluded from this research on the assumption that those people are no longer relevant to the business.

They then used some of the socio-demographic data I've touched on, particularly our MOSAIC classification, to produce a customer profile of the existing customers using the existing health and fitness centres. This was their customer profile, ranked on the basis of index (100 being the national average), with the percentages giving an understanding of the proportion of people within that particular MOSAIC type.



So, just over 21% of their audience was made up of “Symbols of Success”, and over half of the existing customers fall within those top two or three lifestyle groups. This profile means they immediately have an understanding of what sort of people form the core of their customer base, which

we can then bring to life with some of the collages so they can get an understanding in a bit more detail of the characteristics that underpin their customer's lifestyles and leisure habits.

Having built a picture of the core audience base we can then map the customer distribution geographically and compare that with the distribution of MOSAIC lifestyles around the catchment. The catchment can be defined in different ways, in terms of distance, but they opted for travel times. This then provides an understanding of the concentration of your customers in relation to a specific travel time. Proximity analysis generates a definition of their catchment area by looking at the relationship between where people live in relation to the location of the outlet. They define both the primary catchment (50% of customers) and the secondary catchment (80% of customers) around sites.

The next step is to estimate market size – the overall potential customer base in the catchment. They take their existing customer profile and compare it to the demographic profile of the catchment area they've defined. By matching and measuring the two, they can calculate the overall size of the market. Clearly if you are also collecting transactional data that showed how much people spent, you could also work out the spend by customer type in relation to that catchment and produce a volume metric profile showing the total potential revenue that exists in the area in relation to the existing spend of your core customers.

In terms of determining locations for new sites, they calculate an average market size across all the catchments and use that as the basis to create a benchmark. So, when they're looking at new locations for outlets they create those primary and secondary catchments and use the estimated market size to get an understanding of the potential audience and revenue they are likely to achieve through that outlet on an ongoing basis. As a result they have identified fifty or so potential locations, ranked in relation to the benchmark criteria that they have put in place.

They can also compare existing sites and get a measure of performance analysis, and that can be used to geographically target recruitment and advertising. This is one particular location. The areas in red are those in which they are over-performing (they are getting a high number of customers from that area against overall market potential), and the areas in blue are where they should be doing better and recruiting more customers on the basis of estimated market size.

Keynote: Are Arts Organisations Competing Against Each Other?

Heather Maitland, Consultant

I was interested that over the last two years there have been a significant number of large-scale data analysis projects looking at ticket buyer behaviour across large catchments. But I hadn't been aware of anything that brought all those results together. Because, for the first time we can see the big picture across a range of arts organisations, I thought it was worth looking at what the mass of these projects has to tell us.

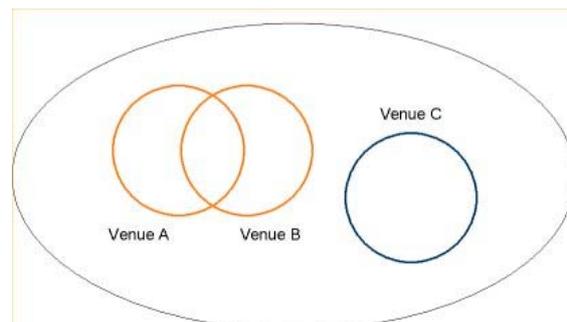
So, do we compete for audiences? How can we tell from the data what the answer to that question is? Well I thought there were three questions to be answered:

- Do arts attenders attend lots of different venues or are they loyal?
- Do they go to lots of art forms or stick to one?
- Do they like to see lots of different people doing that kind of event or are they loyal to particular companies, orchestras etc.?

The data I thought we should explore was:

- The crossover of ticket buyers between venues;
- The crossover of ticket buyers between art forms;
- Looking at ticket buyers to see if they return to see the same company again.

Then Eric from Audiences Yorkshire put a spanner in the works. It's actually quite difficult to relate the answers to those questions to our ideas about competition. This is Eric's conundrum. Imagine a single shared geographic catchment area, an area from which we know that three venues attract audiences. Imagine the Bradford Alhambra and the Victoria Theatre in Halifax. Now they know they share an audience. Then imagine the Leeds Grand, which has a very distinct audience – people go to the Leeds Grand and they don't go to the other two, even though there is a shared catchment.



Now, which lot are competing? Are the Alhambra and the Victoria Theatre competing for an audience or do they simply share a pool and are competing with the Leeds Grand in order to try and attract the audience that they know are going there, but not to them?

Moving on, what percentage of ticket buyers for arts events in Manchester do you think bought tickets at more than one venue in a year? (*The audience ranged from 8%-80% in their estimates*). The answer is 24%. Now imagine total attendances over five years in London. What percentage of ticket buyers between 1998 and 2002 attended more than one organisation? (*The audience ranged from 10%-80% in their estimates*). The answer is 26%.

So, in Manchester, 76% of ticket buyers bought tickets at one event only. This was across sixteen venues, 1.3 million ticket buyers and includes all performing art forms and art house cinema. 17% bought at two venues and 7% bought at three or more venues.

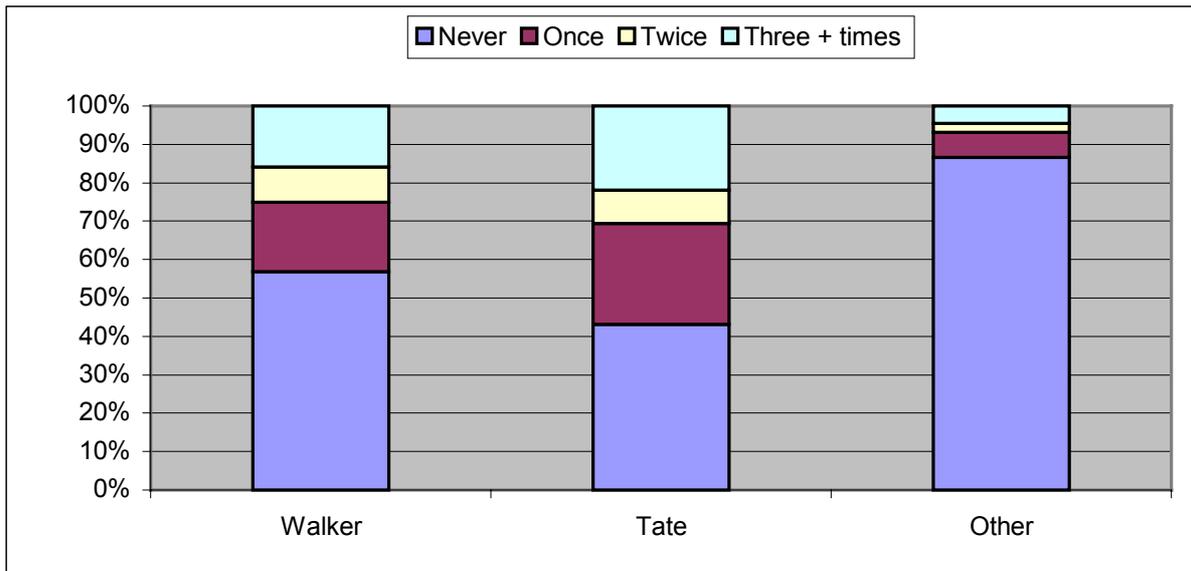
In London, 74% bought for one venue only, across 31 venues ranging from West End theatres to arts centres, including visual arts, and including 1.9 million households. 13% bought at two venues and 13% at three or more venues.

James Gough at AMH told me about a project that deliberately chose four postal districts where there was known to be high levels of crossover. Even then, the percentage of those attending only one venue ranged from 55% – 85%, and that was in an area deliberately chosen for high crossover. It does also imply that within those catchments there is going to be huge variation.

Lets look at individual art forms. Tim Baker and I looked at 45,149 ticket buyers for dance in Edinburgh and looked at their attendance at three venues, all presenting dance. 93% only bought at one venue. Out of 52,000 ticket buyers for dance in Scotland, just 300 people bought tickets in more than one city over three years.

For arts centres in the East of England, the highest level of crossover where the 30-minute drivetimes overlapped was just 4%.

In the visual arts, TEAM in Liverpool interviewed 759 visitors at thirteen galleries and asked them which galleries in Merseyside they'd attended in the last twelve months, and how often they attended.



85% of respondents had never attended the majority of the galleries (“Other”). However, there is variation because a couple of the big players – Tate Liverpool and the Walker Gallery - are having more of an impact. Over half of all respondents had been to Tate Liverpool, and one in five respondents had attended three or more times, and almost half of all respondents had been to the Walker Gallery, with one in seven respondents attending three or more times. The same is true of museums: a similar project with twenty museums, including three fairly high profile museums in Liverpool, saw that the high profile museums attracted the vast majority of attenders, whereas just 10% had been to the smaller museums. The same is also true in Yorkshire where a vast array of venues all share a catchment area: West Yorkshire Playhouse is stamped over everyone else’s catchment area, because it has a bigger impact and a pull that the others with much more localised catchment areas perhaps do not have.

So, what about the crossover between individual organisations? Well, only 11% of all the people who bought tickets for orchestral music at the Barbican and the Royal Festival Hall had bought for both venues. Of the pool of people buying tickets for English National Opera at the Coliseum and for the Royal Opera House, only 12% had bought tickets at both. This increases to 20% for people buying for opera at more than one venue when looking across the Coliseum, Royal Opera House, Sadlers Wells, Barbican and the Royal Festival Hall.

We also looked at what happened when the Royal Opera House and the Coliseum each closed in turn for refurbishment. Interestingly, people who usually attended the Royal Opera House were not pushed into attending English National Opera by the Royal Opera House’s closure: they just stopped attending opera. When the Coliseum closed, the Royal Opera House attendance went up, but the crossover remained almost exactly the same. In other words, there is a first-time or one-off attender who, if both

venues were open, would go to either, but who, if one venue were closed, would all go to the other. However, as the level of crossover did not change, the vast majority of people are loyal to one or the other.

Should we be surprised? Joanna Davies at Cardiff Arts Marketing said, “There isn’t a great deal of crossover between venues in Cardiff but then they’re really all very different in terms of product and positioning. We know from audience profiling exercises we’ve done over the last three years that the audience type is vastly different between them all.” Now, when the high profile Millennium Centre opens in Cardiff they think that will have a pull across all those audience types but at the moment there is not a venue exerting that pull.

Venues are competing less than we think. Venues with different brands attract different audiences, but even in cities where there are a range of venues offering similar events, around three quarters of the ticket buyers remain loyal.

But...

Actually something different is going on. People are only attending one venue because they’re only attending one thing. So, an average of 78% of ticket buyers in London bought tickets once a year; 77% of ticket buyers in Manchester bought tickets only once in 2002; and in Liverpool, 70% of ticket buyers bought tickets only once over a four year period. It is interesting how consistent these figures are around people only going once.

What happens if we only look at the people who attend more than one thing? Of the people buying more than once in London, 74% bought at more than one venue, compared to a quarter of all the ticket buyers. Of those buying twice and no more, 47% bought at more than one venue.

Suddenly we have a slightly different picture. There *is* competition amongst venues for the people buying tickets relatively frequently, but not for the vast majority of attenders who attend only once and for which our biggest challenge is retention. To put it another way, the more frequently a ticket buyer purchases, the more venues they tend to attend, and if we get a customer to attend more than once, we seem to have a two in three chance of adding them to a pool of audiences who will go to a range of venues.

So, does this apply across art forms? In Manchester, 68% only bought for one art form, but of course the vast majority only bought for one art form because they are only attending once.

If we look at the ticket buyers for an art form who have been more than once, just under 60% bought for one venue and one art form; 9% of all ticket buyers bought for one art form at more than one venue and 19% bought for two art forms, about half of those at one venue only. It looks as if the more people attend, the more likely they are to go to a different venue and to attend a different art form,

because of the 13% that bought for three or more art forms, just under a third were now purchasing at only one venue.

So, there is quite a lot of venue loyalty but the more frequently people attend the more omnivorous they are. Again, looking at the project that Tim Baker and I did with 38,338 ticket buyers in Scotland. 34% of those had only been to one event. But of those who attended more than once, 85% bought for more than one art form. Only 11% of had attended more than once and only attended dance. So, the idea we have of an audience for a particular art form, a dance audience, a classical music audience etc., doesn't appear to be true.

Overall, the vast majority of ticket buyers attend just one art form but that is because they only ever attend one thing. Of the people who buy more than once, the vast majority attend more than one art form. So we can either agree that the art forms are competing or look at it that audiences are general arts attenders who just simply don't care about art form categories.

The final question I asked at the beginning was whether ticket buyers return to see the same company. Well, it depends. There are examples at either end of the spectrum in Scotland. Out of 1,142 ticket buyers for Rambert in 2003 at the Theatre Royal in Glasgow, only 2% came back to see Rambert the following year. But at Dundee Rep, a venue with less competition, a resident company who work hard at building a profile and with a much smaller audience, 23% came back, and, in fact, 10% went three times in eighteen months – but we are talking about small numbers. So, the majority are not particularly loyal but it does depend on the context and it is possible to make loyalty happen.

So are arts organisations competing against each other? I don't think they are because our biggest problem is getting first time arts attenders to re-attend. There is a pool of more frequent ticket buyers that we seem to share – but I question whether we are actually competing for that - and organisations with higher profiles and stronger brands, where there is competition, do seem to get a bigger share of the pool.

This presentation includes data and information from the following organisations/projects:
Arts About Manchester; Audiences London; Audiences Yorkshire; Cardiff Arts Marketing; Dundee Repertory Theatre; Momentum Arts; Scottish Arts Council (Assessment of Audiences for Dance in Scotland); TEAM in Merseyside and Theatre Royal, Glasgow.

Seminar: How can we use positive psychology in the arts to stay ahead of the game?

Dr Nick Baylis, Lecturer in Positive Psychology at Cambridge University & Times Columnist

“I work for a local authority and over the last two to three years we’ve been under pressure as a result of various things foisted on local authorities by central government, starting with best value. Out of that is coming a reappraising of priorities for local authorities and I think it is pretty fair to say that generally the arts have fallen off the list. But, of course, all local authorities are charged with looking after the well being of their residents and quality of life, although they don’t really define that, but I wonder whether that presents an opportunity? We’re pretty good at doing quantitative research but less good at qualitative research - I have tried to see what impact the arts had on people in terms of audiences and their reaction to shows but it would be great to expand that and perhaps through the discussion now we could see what we could do to use Nick’s expertise and insight into what makes people feel happy.”

“I don’t mean to hark on about television, because the problem is anything that involves staying in at home on your own and not talking to your spouse, partner or whoever you share your home with, but TV is the major enemy, with that average of three hours a night. The American paediatric society says that no child under the age of two should even be within earshot or eyeshot of television. The reason for that is we are evolutionary geared to respond to the right sounds and pictures, and the television will drag our attention and, as soon as it does that, our brains switch off. And the brainwaves of someone watching television are almost the brainwaves of someone who’s dead. However, the brainwaves of someone who’s sleeping show that our brain is repairing itself, consolidating what we’ve learned. If someone is trying to learn something, and you give him or her a ninety-minute nap, they will remember twice as much afterwards as someone who did not have a nap.

There can be nothing more disabling than watching TV – it is so addictive because it gives you instant relaxation but if you turn the television off the relaxation dissipates completely, whereas with almost every other activity we know, the relaxation will last for hours, if not days, afterwards. My soccer game on Sunday morning lasts me until about Thursday when I have to go for a run or do something else.

Another important point is that anyone who engages in one social activity will do more: if they’re the sort of person who has dinner parties, they’ll also go to the movies, be a member of a club – they are doers and it’s rather like that point that if you want a job done, ask a busy person. If you do one thing, you tend to do other things, apart from watch television. If you watch television then that’s all you do.

And people spend more time watching television than any other activity, except work or sleep. A spouse will spend three times more time watching television than talking to their partner.

So we have wonderful evidence to say don't do this to yourself, your friends or your loved ones. It is not as if are letting the genie out of the bottle because look at all the other changes people have taken on, like drinking less coffee. Bob Putnam says we can use the new technology to join people up and use the mobile or the internet, rather than as a replacement for teaming up, calling or emailing someone and arranging to meet up. We need to stop the tail wagging the dog and take back our lives.

We can sink TV if we join together. I think the arts and science need to join up. Since fifth form at school you were one or the other, a nerd or a thesp, and this created an unhelpful divide. We have a similar divide in mind or body. For example, psychologist Martin Seligman has written book called *Authentic Happiness*: does he mention nutrition or getting out and exercising in there? No, because psychologists hate medical doctors in America. I think the arts on their own having a go at television will find television is too big and too powerful: it runs the country, as far as I can tell. Arts and sports, though, teaming up with the science of well-being means we have got this new gun to zap the enemy with, the sitting on the couch of our everyday lives.

So team up to say what? Invite people to do what? My point would be show them that all the evidence is that our happiest time is spent in the company of other people, and that it hasn't got to be loved ones or intimate friends but friendliness and good neighbourliness. I think that fifteen years ago we wouldn't have bothered because with Thatcher's Britain the emphasis was on house ownership, and earning money to be happy. But we came through the 1980s realising this didn't work and looking for something else. We know that depression is always knocking on the front door of our own home or someone else's, and so is some form of eating disorder or sadness. And our children are concentrating on trying to get a grades rather than on developing their personality, friendships and so forth.

So, I think we are looking for something. If we look at the movies that are doing well now – *Lord of the Rings* and *Harry Potter* – they are set in a retro world of magical stuff and I think that is no accident. But before that it was *Terminator* and *Matrix* reflecting a fear of the future that is a frightening, brutal place of technology. So, we are at a time where people are looking for something they can believe in and our worlds can team up and say we have got something better than passivity and physical and mental atrophy. I think Bob Putnam was on to something with the concept of social capital and that it is just a question of how to implement it.”

“How does the brainwave compare when someone is watching TV to when they're on a playstation or when they're playing sport or even in a theatre? Is there research that shows where those different things come on a scale of dead or alive?”

“Good question. I don’t personally know because I’m a specialist in the media but Robert Kubey at Rutgers University may know. Often the information is out there on university bookshelves but good scientists aren’t always good publicists. However, it would be quite straightforward research to do: a credible study would cost c. £5,000.”

“Could we expect dramatic differences?”

“I think so, yes.”

“Could we expect to see someone at the theatre being as engaged as playing sport?”

“I think so because there is a significant difference between watching TV and reading or listening to the radio because the difference is how much mental processing is going on. When we’re watching TV, the picture and sound is given to us and we’re just swallowing it whole whereas with radio or reading you have to create the pictures. When I go to cinema I go with at least one other person and we go and have dinner afterwards and talk about it endlessly and I tell everyone about it for five days afterwards.”

“I think the arts needs to look at what makes TV so popular and learn something from its successes. People do talk about particular TV programmes. They are not necessarily programmes I think we should be talking about, but my children enjoy *Big Brother* and they and their friends all meet up for the final of *Pop Idol* and have a party around it and they engage interactively by making a phone call to vote. So it does engage people and get them involved when working at its best and some of the soaps, when talking about social issues, can be thought provoking. On the other hand, sometimes our busy lives mean we do just want to sit and vegetate and that is also something that TV is providing.”

“I think the point about sitting and vegging is probably one of the things one reads about most often and that we are knackered and that is why we want to flick on the TV for three hours, but it is not recuperative. Sleep is recuperative – you can have three hours sleep and be a bouncing bunny again. TV is not recuperative whereas no matter how tired you are physically and mentally, if you and a pal went out it would be recuperative.”

“TV has started in the last few years making a proposition for get-togethers like people had their last ever *Sex and the City* party and that is all about social interaction, and the *Eastenders* strap-line is ‘Everybody’s talking about it’.”

“A friend pointed out recently that a lot of book clubs began with *Oprah* mentioning books on her programme and now we have it in England with *Richard & Judy* and people you wouldn’t expect to go to book clubs are now teaming up to discuss books.”

“I’m intrigued by that because when I was running an audience development agency we thought we had discovered a new form of audience development methodology and it was about doing

contemporary dance recruitment like a book group. So, we assembled a group of people who had never been to contemporary dance before and monitored their reactions to performances and it turned out they infected each other – the ones who had the enthusiasm and knowledge for what they were watching actually taught the others. It suddenly struck us by having a performance equivalent of a book group, where people could get together and actually share thoughts and experiences, that this was a good way of bringing people in as audience members.”

“I think all of these points actually illustrate Nick’s points about collective experience being a motivator for people to buy. We’ve just conducted some focus group research with our most loyal attenders and we got some really interesting results. We asked people what makes them buy, what makes them want to come to the theatre and we got some answers that we were expecting – escapism, enrichment, entertainment – but the one that surprised me is that people come for a collective experience. This was one of the main triggers for all people, regardless of their attitude to risk. Not only that, but the level of collective experience became a risk factor in the decision about what to attend. So people who were the cautious “I know what I like” types would only attend when they were certain that the auditorium would be full, and full of people like them, reflecting their experience and enjoying the performance together. If someone was more attuned to risk-taking, they would still say that being in a full auditorium was part of their decision, but for them it was only part of the decision and enrichment becomes more interesting. And big risk-takers were less persuaded by being in a full auditorium – it was nice but it would not prevent them from attending something. So collective viewing, book clubs, discussion groups and so on illustrate Nick’s point about teaming up.”

“I think that the collective experience is off-putting for new attenders because what people have worries about is being nervous and not-knowing in front of other people. We are just about to do a campaign for a show opening on the night clashing with the Eurovision song contest and closing on a night clashing with *Big Brother* and on the tour clashing with Euro 2004 quite spectacularly. We’re doing a campaign that references these things and asks if you are going to spend another night in front of the television or don’t you wish you had a more beautiful life? It will be interesting to see whether we can actually do that on our own because I think we need to team up to be more effective in the arts in general to try and make change.”

“I enjoyed the keynote and was both intrigued by it and troubled by the notion that human behaviour is intrinsically illogical. Something in my brain said if we are illogical then we are less predictable than we thought and are we trying to do something for which there’s no hope, in trying to predict how people are going to react to what we do in the arts and how we promote the arts? Does logical equal unpredictable?”

“No, people have a facility for logic but it is limited, so we need to be careful of black and white thinking and our ability to predict is less than we thought – we’ve been too sure of that perhaps but I

think we can still use it. We're bad judges of what we think we will like, so people say 'I won't go and see the opera or the ballet because I know I won't like it' but how many other things in your life did you think you wouldn't like? Or when you first learned to drive you probably thought, 'I'll never get the hang of this'. Also, I wonder how much about people going to the arts is about realising you can do it yourself, and then wanting to see a good performance. It takes about fifty hours to get reasonably confident about typing, salsa or whatever. It takes about three thousand hours to become an impressive amateur at tennis, music or chess – it is purely practice. It is easy to get good at something when you're enjoying it so the arts may be able to say come and be inspired."

"I'm doing a presentation this afternoon on game theory which is a discipline for economics and mathematics which is basically about predicting how people make decisions. And listening to your presentation I thought this is going to give me a problem – the notion that people are most of the time intrinsically illogical because it undermines the major premise that we can model how people will make decisions."

"I think people try to be logical, it is just that we have so much emotional feeling. I was in advertising before psychology and a guy always used to say that people will explain to themselves the five good reasons why they need to buy the Porsche or whatever but when it came down to it, it was that they had always been promising themselves one or they felt sexy in it. In other words, the purchase decision, about whether they went for this, that or the other, all swung on embarrassing emotional stuff and all the salesman had to do was give them the five logical reasons they could use to explain it to the girlfriend or whoever that of course it was a logical decision. People want to be logical because they are embarrassed, especially in Britain whereas in other places *e.g.* continental Europe they are much more comfortable with their emotional side, 'I just want to do this.' They don't need to add a "because". In Britain we like to give reasons, we like to think we're conscious and in control."

"So should we help people to make those justifications or should we be appealing to the more emotional side?"

"I think we can do both. I think we can say we know logically that the couch potato would like a more beautiful life and that you too in fifty hours could do this. Problems are better solved with a myriad of solutions rather than one."

"I think there is that notion of post-purchase rationalisation and buyer remorse. Has anyone ever suffered buyer remorse thinking, 'I shouldn't have bought it'? And our audiences go and watch things and think 'what on earth was that' and perhaps if we provided aftercare they might come back."

"I'm interested in knowing how, if there is proof out there that the way we are living our lives is bad for us, if, given all the political things that are going on at the moment about costs of obesity, costs of depression, strains on the public, perception of the health service etc., we can tap into that. If this is a

new science, is that message already getting through to government? Because I don't think we'll be able to change things, like with drink driving, unless it is coming right from the top."

"Good point. Someone was seconded from my department, because he had studied Bob Putnam saying team up to create social capital, to 10 Downing Street at Tony Blair's personal request and he runs the government's social policy unit. His job is to work out how to create happiness, because there are votes in it. The government used to presume that we were interested in how much money we had but have realised that there is more vote factor in people saying 'I'm enjoying life and my children seem happy' than in having more money in the bank. So the government know the importance of teaming up and if the arts can offer a vehicle for doing that, it would be well received."

"Yesterday was the launch of Get Britain on the Move to stamp out obesity, ill-health and make us all feel better. That will progress to education and people might think about sport first, then dance, then watching a film or TV programme about dance and, from that, about actually going to see it live in a venue. So it is also an issue of people's education and expectations that they can enjoy it and appreciate it."

"I know I demonised TV but if I was pushed into a corner the phrase I would use is that we watch too much. I don't happen to have a TV but rather than try and persuade people to forego it all together I think it may be more effective to persuade people just to do less of it. We know that U.S. research says more than two hours a day for teenagers demonstrably interferes with homework and school success, for example, so it may not be a question of either/or so much as not doing too much."

"I'd like to make the point that we've talked about people going to see art and it is quite a passive thing. I thought that quite a lot of happiness might come from being involved and knowing that you personally can make a difference. So maybe staying ahead of the game is to have art that's interesting and to which people can make changes from their point of view so they know they are valued, listened to and responded to. For example, we run projects in Southend to do with people traditionally excluded *e.g.* refugees and we run projects where they can influence the outcomes and the events that happen at the end. Because people listen to the participants and take notice of them they come out happy at the end. We recently had someone who said she realised she could do things now that she didn't realise she could before. So, it is all very well going to see something but you need to not just be a passive receptor."

"Research would agree with you on that because if you have a continuum of TV at one end (extreme passivity), then going out to a show and then what you talk about, taking part and contributing, then the further down the involvement line you go, the more satisfaction there is and the deeper it goes and the longer it lasts."

“An example we have to create more value for frequent attenders is to always have an event in the season to thank them for coming to concerts with the music director and the musicians. That gets them involved and gives them a chance to talk to people onstage. Another example for next season is that we’ve asked most people if they’ve like to vote for the music they’d like to be played in the next season.”

“I’m convinced that participation is a major element in people’s enjoyment of the arts. DAN did some research in relation to Year of the Artist. This got artists in residencies around the country and we were commissioned to do an evaluation for Northern Arts Board on whether the year had worked in the Northern region. The fascinating thing that came out was there was an association between the level of value people attached to the year and the extent to which they’d been actively involved with a residency. If they worked with an artist and made something, the approval and value ratings zoomed up – in other words the element of participation was so important.”

“I can add another example which is the way in which Classic FM is so successful because the listeners vote for what they want to hear. I notice Radio 3 has just started to have participation from its listenership and I understand that their listenership is increasing. I think in the case of Classic FM the voting for the top three hundred pieces means people listen, feeling that sense of influence.”

“Coming from a different angle, there are a lot of singletons out there. One of the types of organisation going through the roof is dating agencies. I wonder whether the arts could be a forum with a covert agenda, so rather than having people just go and watch you, whether either before or afterwards you could have discussion forums for people to team up. Everything we know about post 9/11 dating agencies in the U.S. is that they tripled their books. The effect of that is only slowly stabilising and the same climate of anxiety and nervousness about the future pervades British society and one of the symptoms is people wanting to team up and a sense of loneliness among these adults. So I wouldn’t suggest selling it as a dating agency but there may be related opportunities.”

“The Royal Court has singles evenings.”

“I think 40% or 50% of adults now are single and don’t want to be: they would like to be in a partnership of one sort or another.”

“So, back to the question - are there things we can do practically?”

“There are two strands. We need to make sure on one hand that we use this as a tool for advocacy to government and policy makers about the value of the arts and the contribution they can make to policy. We also need to use these ideas as a tool for actively promoting attendance and participation in the arts.”

“One more practical thought - how about adapting the book club idea to the arts? Maybe even on a regional level with a discount or incentive for members in the region, encouraging them to have a

programme of discussing what they go to see, seeing it, and then discussing it afterwards. This would also encourage group visits.”

“In Cumbria everyone believes they live in area where culture is not well accepted. But we can speak to local media about this and tell it to them as a story they can relate to and on a subliminal level get people to understand more about the value of culture. This might be a good way for some of us to start, getting local media on board and using them to try and educate.”

“In communities there are always movers and shakers. Sometimes it is the leader of a church group, or someone from the WI. If you invite them along to a dinner and give them the information on what we are talking about you can enable them to be the spokespeople rather than you spending your resources doing it. They’ll also know how to phrase the message for their audience.”

“That sounds like ambassadors schemes.”

“Some of the audience development agencies, especially CAM, have a network of community events where they invite people to come in and reps go out and be advocates. These schemes can be effective and maybe we should do more of that and get back to grass roots level, rather than spending a lot of money on expensive media.”

“We have people who do that whose job title is Group Bookers.”

“The trouble with group bookers is that they are part of the organisation whereas these ambassadors are in the communities, the person everyone talks to.”

“But it is not always about being in the organisation anyway. Our groups person goes out to groups and finds potential groups and meets the organiser and talks about what the arts organisation has to offer. Sometimes the organiser has the opportunity to try it themselves and we build the relationship first – it is not just sending a mailing.”

“I’m uncomfortable with they way this seems to be telling other people what is good for them and how to feel better. We need to engage with people rather than just telling them.”

“We had an outreach marketer and whether it was about going out to groups or families, it was looking at whether their needs were being met. We also did workshops as a way of encouraging them in which was a pragmatic way of engaging.”

“We’re fighting a battle as well with funders and we do need to be able to make this case, whereas sport can wave a flag of being good for healthy living, whereas with the arts it is not quite so obvious. If we have our own case that we are a good thing then we can put that at the disposal of local authorities to enable them to give the arts funding. This has to be about funding as well as the grass roots and most organisations do not have the resources to do this at grass roots so we need to have the

arguments up there to be able to go out there at grass roots level and do it. We have to win the big argument before we get to the other strand.”

“I would advocate working bottom up.”

“It’s not either or, it’s both.”

“So, does the evidence exist that the arts make people happy?”

“I don’t know. I’ve made a presumptive leap. I think the funders at the top should push the boat out and spend £5,000 and get some evidence, because think of media coverage you would get for that alone, *e.g.* ballet is good for you – and we can prove it. And I have no doubt that you would be able to prove it.”

“Has no study been done on the effect of the arts?”

“Durham University is doing something along these lines looking at the relationship between the presence of public art and things like death rates, finding that there appears to be an association between public art and demographic leakage.”

“There has been quite a lot of research into the teaching of cultural subjects at school and other levels of educational attainment. During the 1980s there was a move away from a wide range of subjects to the three Rs and funding towards raising educational levels on a very narrow basis. At that time I was working in the music industry and the Music Association did some research into the value of music as part of a core curriculum. It delivered some interesting results and I particularly remember that if music was in the curriculum, even at a low-level of specialism, two things happened: pupils had better social skills, interaction with their classmates and higher language skills; and their mathematical skills were improved.”

Summary

“We need some research quite quickly to prove the arts/happiness link and to make the ‘good for your health’ case.”

“Remember to think bottom up – don’t patronise but empower people while also putting the message out there.”

“Undertake a local press campaign to influence your local public, as well as using ambassadors and local influencers.”

“Introduce discussion groups like the book club model.”

“Provide the information we’ve received as tools to ACE/DCMS for their own advocacy.”

Seminar: What role could the arts play in combating apathy and disenfranchisement?

Deborah Doane, New Economics Foundation and Anti Apathy

Issues Delegates Wished To Address

“The difference between apathy and being given choice and empowerment.”

“Practicalities - if traditional politics and activism are no longer effective what methods do you use to engage people?”

“The notion that it is too easy to take the route of least resistance *i.e.* to not go to an event and your experiences in terms of getting people over that.”

“The idea of overlaying what you were talking about with Experian - wondering if there had been an attempt to quantify apathy in terms of demographics.”

“I’m intrigued by the thing about people not knowing how to get involved and how to connect networks, although they are interested.”

“I’m interested in thoughts on how expectations relate to trust – if we trust less in professions I wondered if that had to do with our expectations being higher, and how that relates to Nick’s point about people having mistaken expectations of what they should do to be happy. Also, if we have greater expectations and are more likely to be disappointed that will be an issue for the arts.

“I’m interested in where apathy ends and time poverty begins and what the relationship is between the two and also in the role of celebrity. I think the cult of celebrity has had all sorts of impacts on us as a society and is there something in there about some kind of disappointment factor – are people, because they aspire to celebrity to a greater extent, giving up in the face of failure?”

“How apathy affects the younger generation when, with the war in Iraq, there are a lot of active young people and how we can channel that into them being active in their communities and in arts and culture.”

“I’m interested in some kind of cross-cutting of all the issues presented this morning - you were homing in on the question of apathy, while Nick was pointing out that one of the effects of the TV culture is disengagement and we also notice in analysing attendees at arts events that the vast majority are only ever seen once as customers. I sort of got a feeling, like the search for a religious answer, that these things are connected and that maybe if we can start to form that connection maybe we can start to look for an answer. It seems to me in trying to deal with only one without taking the other factors

into account we are probably missing something important, and yes there probably is a demographic element as well. So, in summary, the changing models of social behaviours and interaction and how they impact specifically on us.”

“I’m interested in the lack of trust in institutions and people not interacting with institutions in the same way as they used to, in the same way that the expectation to make personal choices seems to be relevant and thinking about how people opt out rather than opt in.”

“I want to know where this is all relevant to the arts.”

Discussion

“One of the things I drew out of that was a need for a discussion about the relationship between collective change and individual change.

Anti Apathy was about saying if I do something, as an individual, there is benefit for me but also how does that bring together a movement. And the movement enables finding out not just about doing something that is better for you *e.g.* organics food are healthier, but also about the systemic change that action triggers.

I raised the trust issue, but often ask myself ‘Does trust matter?’ The National Consumer Council did a survey on trust and found people couldn’t deal with too much choice, rather than it being an issue of trusting: they wanted to have things handed to them on a platter. Once they get beyond three or four choices people do not care. In terms of getting people to engage about identifying a brand that shares their values, it is not about a leading brand but about Café Direct or Ecover where they understand the values.”

“With supermarkets, apparently there is most brand loyalty to Lidl and Waitrose and they are at opposite ends of the scale – cheaper stuff versus a co-operative offering guaranteed or high quality.”

“Both Lidl and Waitrose, if you are looking at the matrices of product and payment of staff – although cost of product very different - both of them pay their staff more than any other supermarket.”

“I don’t think customers know that though and I don’t think they choose Lidl because they know that.”

“No, but possibly because of the experience they get there as a result of the way the company operates.”

“Going back to the issue does trust matter and our expectations of things. Someone asked me last night what I think of the British train system – I have now lived here for 8 years. When I first got here I thought ‘brilliant you can get the train anywhere’, whereas in the U.S. you have to drive everywhere, and if something is twenty minutes late it didn’t matter. Of course, time goes on and me expectations

change and I expect the trains to be on time, rather than valuing them being there at all. So there is definitely an issue about expectation but knowing that doesn't necessarily enable us to combat it. The cult of celebrity is people passing on individual responsibility to someone else. There is a sense that if me as an individual acts, be it voting or consumerism or anything else, that it will actually spark a greater sense of control."

"Does trust matter?"

"Yes, but there are different types of trust – there is the trust where you got to a doctor and hope they know what they are doing. But I am fascinated by the thing about reality between politicians and especially the way that Tony Blair and George Bush have made a big play of the fact that this was my personal conviction, and you may not agree but what I think is right and there is a lot of trust in people accepting that. It seems to me that although there was a lot of opposition to the war, a large number of people were prepared to go along with idea of trust, but gradually, as other things come to light as being not what people said they were when we went to war, trust no longer seemed to matter so much. Now it is just we think you were wrong."

"There's a tendency to be happy to trust a conviction without evidence in that instance but then the disillusionment following on from that is significant if you can't maintain the trust."

"I think there is also a level of cynicism with politics as well because we are no longer sure whether it is personal conviction or just the latest ploy and rather than accept things at face value our generation seems to have much more cynicism about why people are doing things."

"Yes, instead of thinking 'oh I believe it', you think 'oh that's a clever way of doing it'."

"I think the question about does trust matter makes you realise that actually the whole of life, in every aspect, is based on the fact that we do expect to be able to trust other people to an extraordinary extent - even in business. Someone phones up about a transaction that may involve thousands of pounds and most of the business done on trust (although in the end a contract is the guarantee against betrayal of trust). But in crossing the road you're trusting people not to mow you down and to observe traffic lights. We trust banks to honour promises – these are all things based on trust and we know from our personal lives that nothing hurts more than a betrayal of trust, even if it is a small one. And we feel outrage at a betrayal of trust when someone does jump a red light or betray us. Trust is fundamental and matters very much and when Blair asks us to trust him, we think well yes we did vote for you, and then when he lets you down you feel worse about it."

"Isn't there something about facilitating people to trust in their own decision-making process? The problem with the trust element in politicians is that there is not enough information out there so that I don't feel able to trust my own decision-making processes and that makes you feel separated out from the entire system."

“To me, there is a very direct relationship between trust and risk. So having information enables you to trust that you can manage the risk of making a particular decision. I use the word ‘risk’ now I think more frequently than I have ever done - whether that’s a budgeting process or an artistic process or recruitment, it’s about managing levels of risk. I don’t know whether there is a direct relationship but for me the connection is if you have a degree of trust in an organisation then you are more likely to take a risk with them or attend more frequently, whereas the risk would be greater if you did not have a level of trust with that organisation. So, I would adore it if people would come to see all nine operas we do, even if I think there are some I respond to more positively, but in terms of whether they trust us as a company because then they are trusting our brand as well.”

“So jumping on the theme, how does trust play out in arts organisations? What is the relevance of the trust issue? It is very important to politicians and commercial business organisations that we trust them because we have to trust what they do, although healthy scepticism is also useful to have in a democracy. But what is the relevance to arts organisations?”

“I also think, on the whole, trust levels are high by consumers in the arts compared to the kind of trust they have in most brands. As consumers we’re quite promiscuous with our trust in brands because we know it is easy to move on when trust is broken – we just think I’m not going to deal with that product any more and I’m going to find an alternative.”

“But there is an enormous difference between the high level of trust of the people who have already bought in and the massive group of people who feel that it’s not for them.”

“Absolutely and you could also read Heather’s presentation as a demonstration of lack of trust by the audience who come once and decide never to come again.”

“What disturbed me with work we’ve done into regular attenders is the huge disparity between the core and the rest, so at one venue less than 1% of customers represented 23% of income and 33% of attendance.”

“The Rottweiler Study identified three outcomes of not being trusted:

- Workforce – employees are unhappy and unmotivated;
- Prickly peers – the Enron effect demonstrates that if one is dragged down, so are the rest (e.g. in the accountancy sector). Perhaps this happens in the arts? One or two bad experiences mean people then trust someone else or don’t bother? So, it is important to ensure your peers are trusted, as well as your organisation.
- Cranky customers – a direct impact of diminishing trust in a product is that customers move away or complain.”

“Would you see those three feeding into each other? Do you have to have all three to create that situation or is just one of the three enough?”

“I worked briefly in the cinema industry and they never talk about product but always service, whether there is too paper, whether the seats are comfortable etc. but most theatres seem to be thinking about service because they can't say what the product is going to be and then people say they were nice to me and I had a nice time.”

“We need data on what people think of the actual experience.”

“I think that part is actually crucial. Welsh National Opera are about to move to the brand new Wales Millennium Centre which we are having to say to people to trust us on because they don't know what is going on in there and have had no interaction with venue. And because people have not had the experience of sitting in the auditorium, knowing that it looks and sounds amazing, then actually the way the telephone is answered and the way people are dealt with becomes even more important than it should be because this is the first encounter people have with the actual experience of attending this new venue.”

“And that never goes away because while you are not making a first impression on regulars there is always going to be somebody new. I regularly say to my orchestra, if they are playing say the *1812 Overture* that there will be a hundred people in the hall that have never heard it before and the orchestra sit there and say, but everyone knows that. But there are always new people coming and we have to think about how we build trust with them when they have no reference point or entry point other than a brand image they've picked up.”

“Isn't there actually an issue around showing people how their individual impact will have a bigger impact? I know that is done well in the news e.g. three million dead doesn't mean much as we can't comprehend it and then we see the example of one little bit on the television. You need that personalisation to be shown how you can make a difference.”

“It's that point about charities that you don't need to know how bad it is but the effect that your donation will have.”

“I also liked that about anti-apathy – showing people's fears that they would go back to the supermarkets on the website made it more real.”

“In the 1980s, with the anti-apartheid movement, people boycotted Barclays and they withdrew and that was a huge success story for collective action. And even though they did withdraw they still have a huge demographic gap in their customer base of people who were in their teens and twenties in the 1980s who do not like Barclays. We're from a generation that remembers that and they have a big hole.”

“But there are only a few examples of where it works. It seems to me that people don’t do this partly because they don’t believe that their collective action will have an impact because there are too many examples of where it hasn’t happened. I’ve not been buying Nestle products for years and years and years and they’re doing exactly the same things as they were doing twenty years ago and I’ve giving up not buying Nestle products.”

“They do less of it, significantly less of it, so it has had an impact.”

“But there is not a sufficient knowledge and understanding of that and there is a perception that it is a small minority of people that do this stuff, and in reality it is a minority who care enough.”

“People think it is too hard and too complicated. With the South African thing we could all focus on we’re not going to buy Shell, Barclays, Cape Apples, etc. because that was easy to identify. But we all probably still bought a myriad of South African products without actually knowing that that is what they were, because it got to the point where it is almost impossible to get by without doing it – I think there was one brand of car you could buy that didn’t have South African components.”

“Have any of us in our organisations that order coffee asked if it is Nestle and asked if they can buy Café Direct instead? I was feeling disempowered and then made a suggestion in an organisation to change and they did it and the feeling of triumph was tremendous.”

“So what was the tipping point? What was it that made it move from below the radar to above the radar? I was reading something recently that made me think that as a consumer the only power I have is economic so I can make rational decisions about changing that and even though it may be small, it can be significant.”

“But isn’t it also having that information that it is not just about making a difference to the coffee grower but it’s also going to make you and your colleagues feel good and acknowledge the fact that they are doing both?”

“Café Direct data shows that nobody bought Café Direct initially, but they bought it when they started competing on quality, taste and price. So people don’t buy things purely for emotional reasons.”

“In other words, all else being equal about the product – once the taste and packaging and everything else was right – only then would it differentiate itself over another product.”

“That’s where the arts have to compete in some ways. We have to have the same look and feel as other offerings and that is hard on a miniscule budget.”

“Most Fair Trade companies have no marketing budget.”

“But lots benefit from other campaigns *e.g.* through supermarkets developing branding for fair trade products themselves.”

“It is almost like this is just another brand or lifestyle choice in a way.”

“I think we all have to use data to prove our case. But lies, damn lies and statistics mean you can find data to prove anything you want. I think the reason Anti Apathy has been moderately successful and fair trade workers have started having leverage in markets is storytelling. Anti Apathy is about connecting individuals together to discuss what they think about being an ethical consumer. It’s finding that you aren’t alone and that other people are experiencing the same thing, and leveraging to bring more people into the loop and widening the circle of responsibility. So once you get critical mass you can use that to tell a story. I use the example of the debt campaign – International Debt Relief 2000 - that started with a handful of individuals, grew to a few churches and became a six million strong movement. How do you make something like debt sexy? They managed to explain what the debt meant for people halfway round the world and what impact the movement could have in a few years and it became the fastest growing global movement.”

“Celebrity came into that big time. I think celebrity in that context is interesting in telling the right stories and ensuring that the stories they are telling are taking them where they want to go.”

“It is about generating trust as well. But we do get sniffy about another celebrity UN goodwill ambassador unless, like Audrey Hepburn, they are genuinely committed to it: Hepburn actually changed government policy in Africa whereas other people do it because it is part of saying, ‘Look at me, I’m caring as well as rich’.”

“Isn’t there a passing on responsibility – if Bob Geldoff and Bono are off doing things do I really need to get involved?”

“But they are more about saying you should get involved rather than we’re doing it so you can ignore it. They are more about supporting the groundswell, whereas there are those for whom the only thing that matters is the camera coming to see what they’re doing.”

“But the celebrity thing almost means people can say, well they have already got money and been successful so now there is time for them to do good works because they are in a privileged position, whereas we are busy working and do not have time.”

“Celebrities take on the stories of someone who has been working at the grass roots for twenty or thirty years and they get the credit for it and have the power to decide where the money goes.”

“I agree and think this is an area where the politicians have gone wrong – they’ve become pseudo celebs and that is partly why I don’t trust them so much.”

“What incentivises people to act?”

“There is a supply chain manager at a big corporate organisation who is incentivised on price, getting the best price for the product and receiving a reward package if they reach their financial target. Now

this company prides itself on being an ethical company and has a code of conduct for sourcing products etc. But what happens is the supply manager is incentivised to find the cheapest product in the cheapest factory and then they go in afterwards and try to impose the code of conduct on that company. Sometimes it works and sometimes it doesn't because sometimes the factory owner just puts up a wall so people on one side of the wall have a good standard of conditions and those on the other side of the wall have terrible working conditions. Now what someone said to me is why aren't they incentivised on ethics, on things other than just price. This would mean they could find a factory that is already behaving well instead of having to start a new culture and then maybe having to get rid of a factory that doesn't get up to scratch and having to go somewhere else. I'm not sure how relevant that is but when thinking about incentives or reward systems we need to think about how they change the behaviour of people inside a company to act differently."

"In terms of the performing arts, there are two things - the experience of enjoying the show, concert etc but also the package of venue, comfortable seats, clean toilets, speed of bar service etc. I suspect that we tend to regard the first as being of such magnificence (and sometimes it is) that we can let the other things go a bit. Now I'm not sure whether that approach is sustainable in an environment where there are so many more choices."

"You said you got fed up and started buying Nestle products and weren't incentivised to act differently."

"It's because I couldn't see any change. It felt to me as if the sense of there being collective action took off when I started not buying Nestle products and there was quite a high awareness of the issue, maybe because I was a student at the time, and it seemed to me that has slipped away. Indeed part of me even wondered if I had missed the announcement that Nestle had gone all clean and charming and maybe it was just me boycotting them now. I just lost the sense I was part of anything collective so I stopped not buying them."

"It is an incentive for buying the arts – the collective, the shared experience."

"I heard the Artistic Director of the Eden Project speak recently and in the first year they got fifteen times as many people as they expected. Why do they go? Her take was people were searching for authenticity and that in our everyday lives we are bombarded by so much that we are looking for something that touches us on a different level. The vision and mission around changing a clay pit is what they bought into, the idea of the underdog and a massive project that was tangible."

"There is a good book called *Authenticity: Brands, Fakes, Spin and Lust for Real Life* by David Boyle and he talks about the quest for authenticity. The quest for the ethical consumer is also about the quest for authenticity and a quest for inter-connectedness."

“One of the most overwhelming things that happens when you leave the theatre after any performance is that you are suddenly aware that you walked in as individual, experienced something collectively (which is normally emotional) and on the way out you are in that collective way of thinking, in a little bubble, and then we go back to our individual behaviours. I always thought that was the most powerful point to sell because the most powerful feeling for people is as they’re leaving that collective thought process and going back to the individual.”

Seminar: What can arts organisations learn from the commercial sector in order to become more competitive?

Rob Haslingden & Rosa Evans, Experian

“There is a challenge when you draw a broad audience from a broad spectrum geographically but you understand the customer value and in that case you need to make a decision about whether to concentrating on the loyal ones, who might keep coming back anyway, or whether you need to look outside that pool.”

“There is an interesting dilemma isn't there about which people will be the best targets – we look at regular attenders but also funders are urging us to seek a wider, more diverse audience so these are not necessarily the same targets.”

“The other point is that there is a dichotomy between wanting to get the bums on seats but you don't care who they are, as it makes no difference to their financial value, and, at the other end of the scale, a situation where some are loyal and they are a specific type of demographic and that doesn't seem to be changing so you need to?”

“Focusing on bums on seats though means that the audience goes up, because what struck me about Heather's presentation is that the overall size of the audience doesn't seem to be increasing, and it could decline in time. So I think there is a dichotomy between increasing the overall size of the audience and the targeted solution. And I think that boils down to the transaction value, the loyalty and what you get out of individual customers – it is about understanding more about the individual transaction value of customers and targeting the market.”

“So, start by asking yourself, what is the objective in collecting data? What do you want to do with it? You don't necessarily have to collect all of the address to get information. *E.g.* a postcode is enough to get a lot of information and I think that is a starting point. It does help if you can get the address as well, but all the customer has to fill in is the house name or number in addition to the postcode and then there are software systems that will automatically infill the address. I guess the issue is how sophisticated you want to get and the purpose for which you are capturing the data. Do you actually want to collect the named individual against the address because you want to send personalised offers or to target individuals within a household? That is what a named individual against an address gives you as different people in the household may have different habits in relation to their attendance. Or it may be that you are quite happy simply collecting the postcode because you want to start by keeping it simple and from that you can identify the location and the look at what is known about that location.”

“Once you have got the data you can start analysing it. You can break the customer base down by product, by transaction value or by the additional demographic information if you’re targeting a specific geographical area. You then need to link that to some kind of base to get a measure of how you are performing - so how do the people attending differ from the overall demographic make-up of the population? You can also map out your customer locations on a postcode basis and you don’t have to buy software to do this, you can do it with people like us on a project basis.”

“Has anyone here used these tools for a marketing campaign and how did you match different customer types to different repertoire choices?”

“When we did it in Glasgow we guessed the demographic of people living in particular postcode areas and matched that against the audience for different shows on our database. So it was quite basic in a sense used the same principles.”

“How we would do it with different repertoire is start off with the overall audience profile and then rank on the order of the best fits with the overall profile, and then find the best product fits for new customers.”

“The same sort of thing happens when you got to Amazon where you buy a book and it then suggests the sort of books that are more likely to appeal to you. It is the same principle, but we use demographic information as the key. And if you match across venues, from that you could be able to start understanding this type of audience went to see this and these types of repertoire appeal to that and start to link repertoire and audiences.”

“With the census, we started by doing classifications for Scotland and Northern Ireland because, as you might expect, these are very different. We’re also looking at the possibility of developing a bespoke classification just for London because for parts of London, a U.K. based segmentation solution might not discriminate a single audience effectively. There is also a very strong South East bias in terms of affluence and there is a strong North/South divide and places like Newcastle and Liverpool are seeing a net migration of people while the South East continues to grow. There are still pockets of affluence in other parts of the country, like Cheshire, but there is a bias and a London classification would enable you to segment that out more effectively and look at the key traits that are characteristic of Londoners.”

“House prices have gone up and up and that is one of the key indicators isn’t it? The house price rise in London since the 2001 census has slowed right down whereas Liverpool has just had amazing house price rises and in the North house prices have gone up 50%.”

“Yes, I think that the pace of increase is slowing in the South East while the North continues to grow apace, as it is almost trying to catch up with the South East.”

“So, is there an argument for producing a bespoke arts segmentation? If you were to pool all of your data in a pot, is there an argument for saying that with all that transaction information can you provide a solution to the industry rather than relying on more generic solutions? The benefits of using things like ACORN MOSAIC, is that they are ubiquitous, available across lots of channels and easy to use. As soon as you go down the process of building a bespoke segmentation tool there are issues around implementation. Also there would then be a cost to match the existing customers back across the whole electoral roll to identify prospects and if you were doing your own bespoke arts segmentation solution it is not the sort of thing that you can create once – it would need to be updated on an annual basis to look at behaviour and what is happening in the industry and there is a cost attached to that. So, you have a trade-off of the benefits of having your own solution, which is more tailored, against the cost of it. Also, is it actually going to add anything or are you better taking generic systems like ACORN MOSAIC and appending it to transactional data and looking at the relationship between transactional data and linking it back to the more generic solution?”

“It takes us two years to do MOSAIC from the census in terms of analysing what it all means in terms of lifestyles and attitudes, but you need to have a proper understanding of it or it will not deliver properly.”

“The problem with personalisation and a one-to-one relationship with customers is that this is difficult to achieve and manage effectively, so you always end up going back to some generalisation with customers. But there is a drive to increasing segmentation, so we offer ones now that don’t just look at postcodes but we actually supply solutions that say these are the characteristics of the people living within the houses in these neighbourhoods. For example, we have a thing called Financial Strategy Segments and that characterises individuals on the basis of their attitude to financial services because we recognise that within a house people’s financial services behaviour will vary on personal basis. We do the same with fashion where we link in to information on people’s attitude to buying clothes. Now the obvious spilt is that men and women have very different attitudes to shopping. So, we segment on the basis of gender and then we deliver a solution that is a different fashion code for every person in the country so here we segment on an individual basis. So there is a drive towards a more personal-based segmentation, which in the context of the arts is quite an interesting thing because you would logically suggest that within a house people’s taste in the arts will vary.”

“The gender thing is interesting. Isn’t it a truism that it is the women who are predominantly the ticket purchasers?”

“Why is that?”

“It isn’t just booking – surely there is also a marginal majority of women who attend?”

“We’re limited in terms of comparisons because we don’t pool information.”

“Should we be trying to do that as an industry?”

“I think you should.”

“I was recently commissioned by the arts councils to write a data scoping study and one of the things they asked us to look at was whether we would recommend that the arts now put together all their ticketing data and we said they shouldn’t – not yet. It is a beguiling idea and in five years time I hope we can do it. But within the ticketed sector the penetration of ticketing systems is now very high - it is different for the non-ticketed sector and the visual arts – and, on the whole, they are moderately good and able to produce what you want. Otherwise, there are other bolt-on products you can buy and so you could say the tools are available. We have the data and we have the tools. Yet why is it that there is so much discussion about why we are not doing a lot more analysis, making use of what we’ve got? What was particularly interesting for me was when I worked on the Manchester data:crunch project people had a benchmark and analysis for free, and did training about how use it, and even after all of that it was amazing how few people had actually got round to using it a year later. For the agency it was wonderful – it was really useful for them, for the Arts Council and for the industry as a whole in Manchester but while it had been really useful from a high level strategic viewpoint, for actually helping individual venues to sell more tickets it hadn’t done a lot. There wasn’t one answer to what the problem was, but it just wasn’t that much of a priority for people because there was so much other stuff they had to do. And in a lot of cases they did not feel 100% confident in exactly how it was actually going to help them and therefore it wasn’t a priority. Another thing that is true of all the data:crunch projects that happened was that the time it took to put all the venues together and extract the data was always at least double what anyone had anticipated. And still true now for Arts Index South East – they anticipated three months to extract data and it took over a year. And if that’s happening where you’ve got small cities and hubs and where you’ve got an agency that knows the venue and is working closely on that particular project, how long would it take to get the data out of every venue in the country? It would take years and it would be out of date. So, I’m not convinced, at this moment, how useful it would be for the venues and whether it would be worth the enormous amount of time and money and effort it would take. It will be successful when it is the venues that start going to the agencies and the arts councils and demanding it.”

“The bottom line is that it goes back to what the objectives are. If it gives you a benchmark for the whole industry fine, but it should also make a difference at a local level.”

“And of course the problem is that at the moment the visual arts are to a large extent unhappy about the completeness of their data capture so you could also get a very oddly skewed picture. There are all sorts of initiatives to improve data capture but the fact that the government made it free to go to museums was an absolute nightmare for data capture.”

“So, the task in hand is to consider how we might learn from the commercial sector in order to become more competitive. I understand Experian has some quick case studies examples.”

“We’ve spoken already about how you could access information through projects and by going to consultants, agencies or to Experian. This is just one example of a national casino chain. There are laws in place at the moment meaning there are only fifty-one permitted towns in the U.K. that can have casinos. That law is under review at the moment and the number may expand. This project concentrates on the fifty-one permitted areas and uses Experian data to evaluate potential sites. The first thing is to identify potential sites and apply a weighting. So, we created a matrix with the town name down the side and, along the top, a number of variables that might be considered important when thinking about locating a casino. So this includes things like the number of direct competitors in an area, indirect competitors, number of adults, ethnicity and gambling debt expenditure. On a basic spreadsheet you can then weight against any one of those variables, with one being the lowest importance and ten being the highest. And by changing the weighting for any category you would then re-rank the target towns. Once you have got identified target towns you can generate a site report to put all this information into a user-friendly format. So, we have also got some TGI information in here relating to gambling and also other measures – bingo, doing football pools and licensed outlet behaviour *e.g.* the number of pubs in the area and how many people go to clubs – this is all information that the casino chain identified as being important. So, if regulations change they will use this as a template and apply this to sites across the country.

E-marketer is a software solution following on from Micro-Marketer, which is quite analyst intensive. This is a regional pub and brewery that has taken a licence for this piece of online software. They login using their username and password and get a screen enabling top-level analysis, so this particular company used this to upload and profile customer data. The drinks industry is not data rich - when you go to the pub you don’t give your postcode. The growth of more food-led pubs will change that but at the moment the analysis that pubs do is mainly based on catchments areas. The average catchment will be a half-mile to a mile. For a food-led pub you’d be looking at a twenty-minute drivetime. So you can look at the characteristics of those two catchments and that will help them to determine where to take that pub – whether there is an acquisition to be made or whether to refurbish an existing outlet. They also use it to drive list selection so they’ll select people by postcode and then download names and addresses.”

“So they don’t do data capture when you go to the pub and yet that industry is managing to tackle related marketing issues whereas the galleries and museums are cringing and saying we can’t do it because we don’t data capture.”

“What information are the pubs putting in?”

“They’re generating catchment areas.”

“So it is just the catchment area.”

“Yes, by postcode - they are increasingly collecting data through promotions that involve you entering your postcode *e.g.* on the back of beer mats or vouchers to get free drinks.”

“I suppose one of the critical things is this decision about what the catchment area is but how did they come to the conclusion that one was half a mile to a mile and one was twenty minutes drive time?”

“I think they rely quite a lot on the local landlords in the pubs knowing their customers. It’s also an drinks industry standard and quite widely accepted.”

“And the principles for all of that could easily be applied.”

“The other thing is that there is a little bit of data capture in museums and galleries through merchandising or catalogue sales or membership so, although it might not be representative of the whole audience, there is a little bit of information to start working on.”

“They also have the market research to profile the potential market for particular brands so they can look at their catchment and *e.g.* identify the market for real ale as opposed to Barcardi Breezers.”

“And somehow we think the arts are keeping up with all this?”

“But then we get back to the other dichotomy which is, as far as the pub is concerned, they will put whatever is going to sell in that hole, but arts organisations are not necessarily in that position.”

“No but I bet the driving distance thing is to do with the reputation of a pub as a gastro pub or as somewhere you go because you get good food or good product.”

“So the question is are we prepared to let the catchment area of a venue expand or reduce depending on other factors. – Are we prepared to let the catchment influence?”

“Well if you take what Felix said last night about diversity then, in his case, the answer to that is an unqualified ‘yes’. Because if he sees his catchment area is transforming in terms of A to B and his organisation doesn’t go from A to B it is going to die. So even in terms of that kind of market development issue the answer is ‘yes’ – if you accept regional fragmentation and changes of demographic then you have got to address those changes.”

Seminar: Box office data shows 70% of customers only go to one venue. How does this impact our notions of competition, our audience development objectives and how we allocate our resources?

Heather Maitland, Consultant

“To start off, do you feel that the hypothesis fits with or contradicts your own data on audiences?”

“In Cardiff we did a big crossover campaign across the New Theatre, the Sherman Theatre, St David’s Hall and Chapter Arts Centre across all bookers for three years. Initially we identified that 25% had attended two or more venues. We thought this was an opportunity that was ripe for exploitation if we could increase it to 50%. But when we called people to talk about their attendance habits we actually found that a lot were attending more venues than the box office data identified. This was for a range of reasons – unclear data, door sales, people attending as part of a group, taking it in turns to book for different venues, etc. 25% crossover turned out to be 53% crossover (based on those who could name another venue, title or give a convincing description of another show they’d been to at one of the other venues), with an additional ‘grey’ 10% who were convinced they had been to one of the others but couldn’t give a convincing description of the show they’d been to see. So I would argue that the box office data/booker approach is haphazard.”

“TEAM did some work on lapsed attenders who had not been for three years. They found the same thing – people said that they had been back, just that it was either friends booking or they had been as part of a group.”

“The three arts councils are undertaking research as a follow-up to the data scoping study looking at profiling door sales and groups to give an indication as to whether these would markedly alter the make-up of the audience.”

“What was the methodology in Cardiff?”

“They were asked if they had been to see anything else and if they said ‘yes’ they were asked to name it or describe it. As long as they were able to give a quite plausible description they were counted in, otherwise they were part of the ‘grey area’ 10%.”

“And the show was checked back that it actually did happen at one of those other venues?”

“Yes.”

“How many people were phoned?”

“In the hundreds.”

“I did a similar look at lapsed attenders and what was interesting was that if they had been in the café that counted as they had been.”

“When we’ve done database work we’ve found the same thing. We find crossover is tiny. When we call people about a subscription or a donation we don’t find a huge difference. But when we ask people they say they haven’t lapsed at all – it is just that they are not on the database. I would suggest there is a serious issue about not capturing data or over-cleaning and that the data is worth investing in, as retention is key.”

“There was talk at the Network meeting about frightening box office practices that I hope are not widespread.”

“But there’s been work done on opera, which attracts almost no door sales, and where the level of data capture is pretty sophisticated.”

“The crossover identified in Heather’s presentation between the Royal Festival Hall and the Barbican is supported by research we’ve been doing at SBC and a large piece of research with NOP supported the notion that the crossover was in the region of 10% - 15%.”

“We did a report into nine organisations in Gloucestershire. Crossover was 25% but if you took out the international festivals for which people were travelling a long way then the crossover went up to 50%.”

“The Audiences London figures looked only at U.K. attendances (not overseas which were stripped out) and yet consistently those travelling from further away are more likely to attend more than once – *e.g.* they have made the journey and will do it again. So those living in London had an average attendance rate of one whereas those from Scotland and Wales had an average attendance rate of two.”

“In Gloucestershire we had the opposite in that they come in for a festival and go to a lot of things in a short space of time and then go away again.”

“I think there is some confusion about whether we are talking about retention or whether the issue is a fantastically low rate of frequency. Most of these projects are only looking across three years at the most. However, we have just done some work for the South Bank Centre where they have recorded the date someone first attended. If you just look at the figures for three years you find someone appears on the radar as though they’re a new who has only come once and not returned, but if you actually track that first date attended code you’ll find that they have been before – it’s just that it was ten years ago.”

“We have just found the same thing in Stamford Arts Centre.”

“What we are talking about is the difference between a fairly frequent core (and maybe in the Cardiff example they simply have more a bigger frequently attending core who attend other venues) and

everyone else. It is the classic Pareto 80/20 rule. It is the 80% who come to your venue once every ten years (and clearly this might be more frequent at a venue with less competition) that is where the battleground is. Even TGI tells us that since only a minority of the population attend the arts, attending once a year is frequent compared with the majority of the population and attenders simply perceive frequency differently from how we do. The problem is that we are unrepresentative - we're all part of the frequent core, attending for very different reasons than the majority for whom we have to fit in with their lives. We did some work for Bridgewater Hall on retention, as they were worried they weren't getting attenders back. We found they got a few back straightaway and then there was a massive peak at 52 weeks. At first I thought this was the effect of Christmas shows but when I stripped those performances out the peak remained consistent. We have to recognise that people may be attending for other reasons than the art and think about other things people do. For example, I'm a sports nut and yet if you look at the pattern of my attendance at football there is a cluster around 25th March. Why? Because that's my son's birthday."

"So we are competitive – because there is a small core who go to lots of art forms and venues making up most of the income."

"I think we compete at an artistic level, not a marketing one."

"We do know that once people have been through the door they are more likely to return but we need to work harder at making that conversion happen. We need to see those people who've been once as an opportunity – writing to people after they've come to something with better follow-up messages. So, instead of telling them that the same lighting designer is working on the next show we should be checking that they had a nice time and did they find the car park ok?"

"Newcastle Theatre Royal did a successful campaign converting panto attenders to high profile kids shows (e.g. Sooty)."

"The Watermill at Newbury is a brilliant example. Every time they get a new attender they write to them and say how pleased they were that they came. The marketer introduces him or herself and explains it is their job to send letters in future. People then email back and say I'm really sorry we can't make the next one. Admittedly it is small numbers – they are maybe writing to twenty people each day for whom they just print off the letters."

"But that point about Pareto and how important those core customers are – in fact there was only one venue in our London research where they were getting on for 80% from frequent customers. For most organisations it was more like 50% - 60%."

"That is different from my experience elsewhere although clearly the numbers will alter with context, such as levels of competition, and the principle holds true that a small number of customers will be responsible for a disproportionately large number of the attendances and income."

“There is definitely a relationship between the level of risk and the frequency of attendance, as utilised in Audience Builder. If you are selling contemporary dance then you are more likely to attract more people who are frequent attenders, so art form can be relevant. But there are significant audience numbers at that low risk, low frequency level. And then you have to do the maths about where to invest your marketing budget – the small frequent core or the large mass of infrequent.”

“You can model it. You would have to make some assumptions about the statistics but it strikes me it is like political parties. There are the core voters but there are also the swing voters. Presumably the infrequent attenders are the 50% or whatever that makes the difference whereas we can assume the core will vote or attend anyway. So there needs to be a different strategy for the core market and for everybody else.”

“That depends on how much you have to spend on those groups – you have to look at the return on investment and make an informed decision.”

“But shows that sell lots of tickets have to have a substantial number of infrequent attenders to make up the numbers because there aren’t enough frequent attenders to be able to generate the volume.”

“I did some work with the aerial arts and 93% of the audience had never been before. For the regulars it was an unknown art form and so they weren’t interested. So links were made with *Kill Bill* and *The Matrix* and *Crouching Tiger Hidden Dragon* and they got a completely new audience. The battle now is to continue that.”

“What is the unit cost of a season brochure?”

“We calculated it was £3.50 if you factored in time, postage, everything.”

“Well, with that sort of investment the maths doesn’t work for infrequent attenders, particularly if you are mailing brochures three or four times per year, but if we try to target infrequent with other tools than the maths changes.”

“There is an opportunity with email.”

“A lot of people are moving away from brochures to spend more on distribution by reducing the spend on print. The print then simply directs people to a website or to send off for a brochure if they want more information. This is more successful as it is simpler, more direct, more easy to pick up and then they can look at the information when they are engaged.”

“A lot of money is devoted to new audiences and little is devoted to sharing experiences on loyalty marketing, for example. We may need several different products. But a marginal increase in frequency for any venue even from 1 to 1.1 will make a huge difference in terms of effectiveness and deliver major increases in attendances. We have no problem getting new people – let’s devote some resources to increasing the frequency of the ones we have.”

“There is an argument to be made that we are fairly good at retaining, even if it is infrequently, if the arts have to compete with everything else, even apathy. TGI is pretty static. I’m a sports nut too and I go to rugby once a year. We’re competing with having kids and people’s lives and we need to get the right message for people at the right time.”

“Just returning to that election analogy – my understanding is that the outcome of an election is not determined by the swing voters, it’s determined by whether people turn out or not. We can extend that to the arts – there is a core pool of people who are informed and pre-disposed to turn out regardless and we’re all fighting to persuade the rest.”

“Yes, it’s an issue about getting the rest to choose arts off the menu at all rather than an issue of which event we’re trying to get them to choose.”

“Banks know this issue well. If they can get you to buy three, four or five products you are substantially less likely to take your business elsewhere. So, if we can get people to attend more frequently and use the café or the bookshop they may join the core. I wonder also if this is true via consortium marketing – communicating together about the arts to develop a pattern of participation at galleries, theatre and so on.”

“There is a type who once a year will attend panto or the classics. There then must be a likelihood of what they are most likely to try next. Can’t we develop templates for developing a person’s arts attendance *e.g.* that after they do x your best chance to get them back is to y?”

“We compared oncers against others and found there was no difference between them though. With the Opera House we expected juicy MOSAIC differences but they were the same. The difference is just that some people like the Royal Opera House and some like English National Opera. There are greater differences between the demographic profiles of people interested in new work cross art form and bigger differences between the types of product within a venue than there are between different venues.”

“We did some work in Brighton and the work that was young, trendy and cool attracted the stylish singles whereas more standard work attracted affluent greys.”

“We speak to half a million arts attenders a year. No matter where their pattern of arts attendance started out they have taken a thousand different routes that makes up their history of arts attendance now and they will all give a different description of their relationship with the venue or arts organisation. However, the box office probably does speak to almost every customer personally and it is more important to get to know them individually and personally than to sell them something.”

“Last year we got our box office to proactively sell a panto tea and we got 1,700 families over what is normally a down time for catering. I think this point about the right message at the right time is crucial. For example, we have higher traffic on our website on a Thursday. Remember the Thank

Crunchie it's Friday campaign where you won prizes if you texted in? That was actually to find out when people eat Crunchies to inform them when to run ads. We know about the timings of shows people buy but we don't always know when to talk to the customer."

"We find we get the best response to emails on Thursdays."

"Monday is our busiest time at the box office and yet Sunday is supposedly when people have the time to ring and that is the quietest time."

"Statistics are important because we have a weird idea of audiences. I'll never forget standing in a venue and someone said to me everyone's from Cambridge and that's because they recognised 15 people from Cambridge, but there were 1000 people in the auditorium."

"At some point data has to be translated to practical action. In the end the crucial people are not marketing people but box office people and that is where we are falling down."

"I think you have to give marketing some credit for getting people in in the first place."

"But box offices are useless at new people."

"I think every project I have done has found that the more frequently people attend, the more they are retained. If we focus on getting people who come once to come twice, twice to attend three times and so on, then we develop a virtuous circle."

"Why, then, do people only come once?"

"The reasons are variable. Ten thousand people will have ten thousand reasons for not coming back. But maybe 3,000 of those people would come back if they had the right message at the right time."

"There is a perception that audiences come from a small, elitist group and that is not the case."

"So we've talked about responses to Heather's presentation and about what it might mean for audience development objectives and resources, but what about notions of competition?"

"We have, for a long time, spent resources on differentiation from the organisation down the road. Maybe we need to put some of that money into strategies of overlap and create loyalty that is bigger than just our organisations. We need to work together to make what we do more relevant so that going out for the evening is higher up people's list of things to do. We will have a bigger impact if we work together."

"Audience development agencies are keen to work to raise the profile of the arts and lobby and push this idea further."

"I think we should cross reference the commercial sector. With restaurants you often find six in the same place because it encourages people to do more eating out."

“More restaurants are one of the most important factors and in London there are more venues there and more people going. Each venue closing just stopped some people going and each new venue brought more people.”

“But on the other hand Dundee Rep got a significant percentage attending dance three times in eighteen months and if there was a similar programme up the road they wouldn’t have achieved that as people would make choices. It is dependant on the individual marketplaces and it is tough when there is a great programme everywhere as opposed to when you have the hit.”

“But if there was only one orchestra and one concert hall – more venues would enlarge the audience.”

“But eventually you have to reach breaking point.”

“Edinburgh hasn’t hit breaking point yet.”

“TGI tells us that 80% of people don’t go so there is a market to expand into.”

“But there is a breaking point. As more roads have been built so there are more cars.”

“Quality filters out. The economic impact of the Turner Centre in Margate has been enormous and there is a knock on effect.”

“Look at the South Bank area and the redevelopment of the Tate and the Globe - has that had a positive or negative knock on effect on surrounding buildings?”

“There is a strategy at the South Bank Centre to maximise the use of foyer spaces and when the London Eye opened, for example, the flow of people changed through different doors. But generally the effect has been positive.”

“I think one problem is that we’re not capturing all the data. I’m interested in the Purple Seven development where your database can be uploaded online and you can compare and share if you want.”

“What about data protection?”

“At the basic level you can anonymise data so you can do the analysis, crossover etc. But I do think you should try to get opt-ins so you can choose to share. Although in my opinion, frankly, the data protection act is pretty toothless.”

“So coming back to the diagram with venue A, B and C, which ones are competing?”

“They all are.”

“The point is that the circles aren’t lassoes, with audiences reined in by that venue for keeps. They should all want everybody.”

“They should get together and have joint initiatives.”

“So there is a pool of general people.”

“We tend to assume competition is a negative word but it generates positive things like artistic excellence coming out of it.”

Summary

“Competition can be positive and certainly healthy.”

“While we need to be looking internally there is a wider world out there and we need to look at the benefits of working together *e.g.* more restaurants mean more people eating out”

“It’s the frequency, stupid! (Frequency breeds retention)”

“Infrequent attenders (‘oncours’) are an opportunity.”

“We need to look at trends over bigger periods *e.g.* ten years rather than three or four.”

Keynote: Some Possible Solutions - Get the Product Right

Darren Henley, Classic FM

As Managing Editor, I look after the programmes on the radio on a day-to-day basis and I also look after our partnerships with arts organisations. What I want to talk about today is a little bit about the Classic FM story. We began in September 1992 and one of the things we continue to think and talk about is the idea of engaging and remaining relevant to a 21st century audience.

We are a commercial radio station, funded totally without subsidy and all of the funding comes from being able to sell advertising on the radio station. We wanted to be able to super serve listeners on and off air. We wanted to develop real relationships with our audience. The perception of classical music in 1992 was that it was stuffy, inaccessible, exclusive, elitist and none of those are terribly positive words and that was something that we were very mindful of when we started the radio station. Radio 3 was the existing classical music station in the U.K. and that was focused on super serving classical music connoisseurs. That market was being very well looked after and so we wanted to understand if there was another part of the classical music landscape that we could occupy. The vision for us is to make classical music as accessible and a part of everyone's life. We believe that absolutely everyone in the U.K., regardless of age or background, can take part in and enjoy classical music.

Classical music means different things to different people. So, while Russell Watson, for example, may not be classical music to some people, it's very hard to tell someone in Salford, where I was the other day, that Russell Watson is not opera. You have to be able to talk to people on their level with their background and their terms of reference.

So was there a gap in the market? We did a major piece of research and, as far as we are aware, it is still the largest piece of research that has been done into the classical music marketplace in the U.K. It was done by an organisation called Brand Futures and the people we talked to were: those people who listened to classical music on the radio, those who ever went to classical music concerts (an outdoor fireworks concert in a castle would count) and those who read or watched programmes about classical music. So, we discovered that a third of the U.K. population had a propensity to enjoy classical music, a total of 15.4 million people. So that is our universe of potential classical music listeners in the U.K. At the moment we reach around 11 million of these people and every week we have 6.5 million listeners tuning in, so there is still work for us to do but we're getting there and obviously Radio 3 will also have a part of that universe that they own.

So, we then tried to segment the market into a series of groups. We can plot the groups on a line along which the level of interest and desire to interact grows. So it starts with nervous young discoverers,

then background listeners, through to people who listen to classical music as pop, to popular enthusiasts who have a real desire to know more and then connoisseurs who are likely to have large record collections. So, if we look at that marketplace, Radio 3 very much caters for the connoisseurs and their audience figures today sit at around 2.5 million listeners. So we felt that for us the market gap was the rest of the audience and that is the marketplace that we have occupied ever since.

So once we understood there was this gap, we wanted to understand more about the consumer and one of the things we do is spend a lot of time asking people about their radio listening habits, their classical music tastes and try to glean as much information as possible. What they told us was that there was a huge amount of information they were being expected to digest and that life was becoming more stressful for them in the 21st century. Workplace stress formed an important part of that and people didn't have time in their lives. So we were looking at how we, as a radio station, could use that to help us develop programming that fits with the environment within which people could listen. It is important for us to always to start with the listener and develop our programming strategies out of that, rather than starting with what we feel and trying to place that downward onto the listener. So we want to super serve on air and we're mindful of the idea of stress and of providing a radio station that was the antidote both to other radio stations and to the stresses and strains of life. The four words at the centre of our brand are Relevant; Modern (which can be a challenge given that Mozart won't have a new album out and be in HMV in Oxford street signing copies); Access and Involving. We have then divided what we do into three: one element of the programming is around the relaxation, soothing, escaping messages. Another element is more passionate and involving – when we know there are times of day for our listeners to become more involved in what we do then we have, for example, the Evening Concert with three hours of full length works. We don't put full-length works at breakfast because people do not have time to listen: the average listening time for breakfast radio in the U.K. is about twenty minutes and so there is no point in playing a full symphony to people. We also have other parts of the day where we have programming which is about warmth and empathy and about discovering classical music *e.g.* lunchtime requests.

Over the last year we've started to change and develop our programming. This is not borne out of anything other than a desire to continue audience growth – we really believe that we're still in a growth phase for the radio station. So some of the names we have introduced include Katie Derham and Stephen Fry that are known from outside classical music but all of whom share a passion for it. So we can use people to make connections - Katie Derham, for example, is known to people as a newsreader but many people don't know that she did Violin to Grade 8 and has a passion for classical music. So, all of these are people who can help us turn more people on to classical music.

We are showing a good increase in the 15-34 age group and the amount of time they're spending listening to us so not only are they coming in through the door but they're liking what they're hearing when they get there.

All the time we're using a lot of research to improve what we're doing. We have a research led organisation and spend a lot of time travelling round the country using various research methodologies to find out what people think and feel and we will make real changes to our output on this basis.

I mentioned super serving listeners off air as well as on air. We've done a lot of brand extensions to help us do this, meaning that we are more now than just a radio station. We have a credit card. We have a magazine. We have Classic FM live – live concerts at the Royal Albert Hall. Then there is Classic FM publishing - books and a record label and our dating agency. Classic FM partners are the arts organisations who we work with and there is also Classic FM TV, which I'll come back to a little later on.

With our CDs we're continuing to be a major player. We're using our brand in the CD marketplace bringing out compilation box sets that we sell through retail channels. We work with partner organisations like the *Mail on Sunday*, for example, where we put 2.7 million CDs, specially created for us by the RLPO, onto the front cover. That is a great way of introducing people to classical music – they sample it and they like it and it is very important for us to drive classical music forward as well as Classic FM. Classic FM magazine is the largest classical music magazine on the newsstands in the U.K. and this is something for the more sophisticated end – people who want to get more into classical music who have more of a hunger to find out more and we're serving that with more background information more detail about composers and performers. We have started recently to do more in the area of books, again for people who want more knowledge. Classic FM online is also important for us: if you think about the listenership as a pyramid, at the top of the pyramid we have a radio station with a one-to-many relationship while the online activity allows us to have deeper one-to-one relationships with our listeners. That is something that we're doing increasingly, as well as building up database marketing in this area.

We have a series of partnerships that we develop with arts organisations around the U.K. These are about taking like-minded organisations and really developing ways of getting new attenders into concert halls. There are a whole series of schemes we have done with various organisations around the country to try and do this. We're very much about getting people in to enjoy live classical music for the first time because although we know that won't directly improve the probability of them listening to the radio station, it is going to make their relationship deeper and get more into their psyche and feel comfortable about being a classical music listener and lover. Some of the partners include RLPO, CBSO, Symphony Hall in Birmingham, Lowry, Canterbury Festival, WNO and we're doing a lot to try and be as regional as possible. One of the challenges for us as a radio station based

in London is to be as regionally relevant as we possibly can. We also worked with the *Mostly Mozart* Festival in London at the Barbican and *Cav & Pag*, which we did with Raymond Gubbay at the Royal Albert Hall.

Music education is also important – the National Children’s Orchestra are now known as Classic FM’s Children’s Orchestra. We’re working with Youth Music on the Endangered Species project where we are encouraging people to take up instruments that are no longer being taken up in schools and working with Music for Youth and the Youth Proms as well. With Yamaha we toured the country and saw 8,000 children last year with a music education project called Vision where we took a band of classical musicians from the Guildhall School of Music and Drama into schools and got them to sample and play with musical instruments – that is an example of a great way of connecting real people with classical music.

Classic FM TV is the newest brand extension available on Sky and ntl. The proposition is to take classical music in all its forms to new audiences. The channel sits next to all the pop channels and we want to develop the emphasis of young classical music here.

Keynote: Some Possible Solutions - Get the Brand Positioning Right

Marksteen Adamson, ArthurSteenAdamson

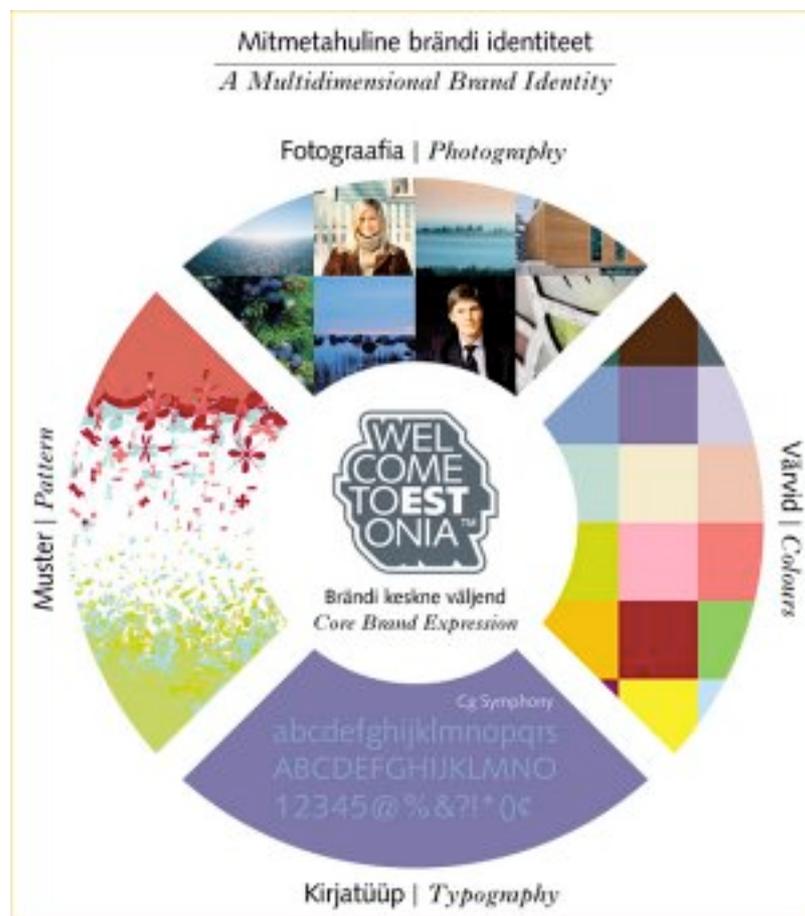
I have picked two projects to talk about that may be relevant for the issues some of you might be facing and that is creating a brand when you don't have a lot of money. When I left Interbrand three years ago I worked on some of the largest global brands in the world and accounts with enormous amounts of money and you start to become quite lazy because there are lots of tricks you can do when you have the cash. The last project that I did while I was there was to try and see if we could rebrand a nation. The Estonian government came to us and asked if it was possible to tackle this issue. A nation has so many different issues and so many different stories to talk about. But it was a simple brief: Estonia wanted to become part of Europe. Three or four years ago, at least, most of us wouldn't have known where Estonia is:



Estonia sits between Scandinavia, the Baltics and Russia. The Prime Minister Mart Laar wanted to not just catch up with the Western world but he actually wanted to overtake it. My first experience of it was we arrived at the airport and were taken into town and the chap who was taking us got out of the car and paid for the car parking with his mobile phone, which seemed like a very progressive thing to do. The government is an e-commerce government and all decisions are taken by email and it is a very fast-growing economy. So actually Estonia is very interesting, except in our minds what we

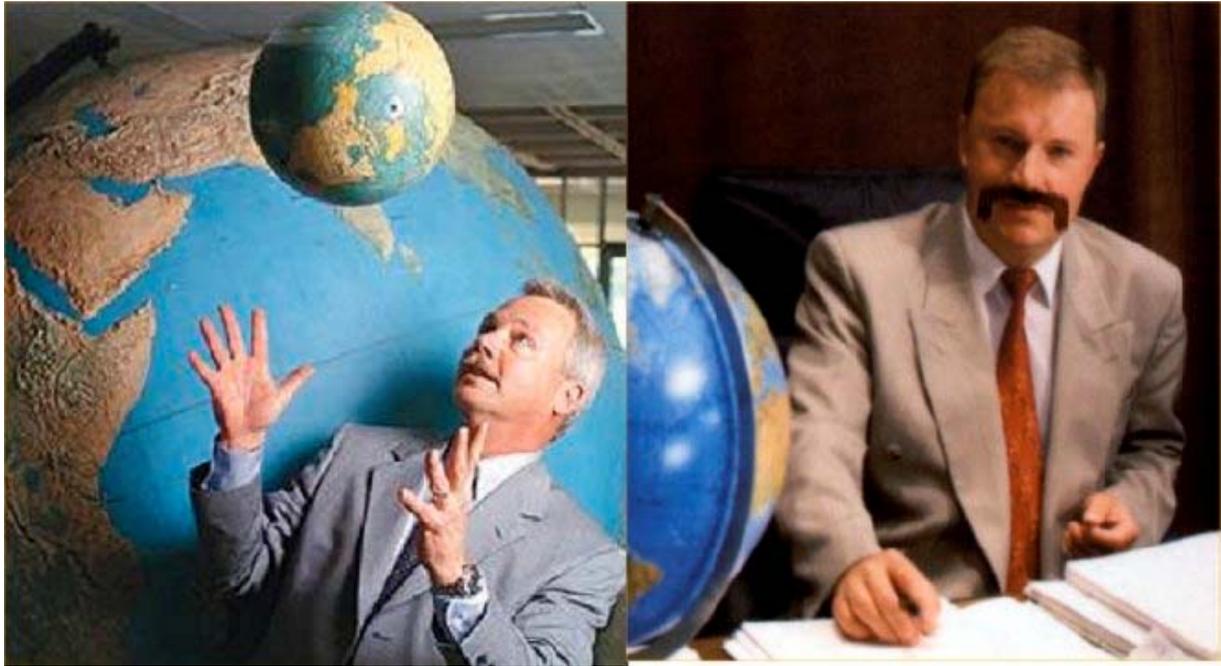
think about it is not what it is right now. This is identified when we asked the question, “Would you spend a holiday there?” The other problem is that it is a place for Scandinavians to go and have fun - they come across on the ferry and there are brothels and depressed areas that cater for this market. So the reputation for Estonia in Scandinavia is the same as for us the way some groups might think about Amsterdam.

Branding is essentially about focus and it is an opportunity to focus a large group of people, or a nation in this particular case, and to win hearts and minds internally but also externally. So, with Estonia what we decided to do was to create a multidimensional brand rather than just a logo, which is often what happens. A good example of that is perhaps Consignia, where a logo is slapped on an organisation and it doesn't take long for that to become unreal and fall apart.



At the centre of the multidimensional brand is the idea: a mark that has a message in it. So, rather than trying too hard to sell itself, we invite people to come to Estonia because actually it is a beautiful country. So letters are franked with this mark, passports are stamped with it and this would feel quite European and different from what we imagine Estonia to be like. So a robust mark was created so people could take it on whether they were in the tourist industry or in government or in business and in the same way that I♥NY is a mark that really belongs to the people, this mark started to belong to the people: the mark was distributed so that it didn't belong to a specific institution.

Another problem was photography and how businesses had been portraying themselves:



So we took inspiration from *Vanity Fair* where businesses from Europe and the U.S. are always portrayed in a much sexier way:



We took lots of photographs and started to create an image bank for Estonia. The other thing we did was, to avoid throwing away all of the past, we adopted a pattern that they use in material and clothing, perhaps similar to Tartan. We took that and modified it so that it can be used as a backdrop. We also had to take four million stories and four million opinions and somehow reduce it down so that only the five most important things would be talked about. Estonia only has about four seconds on the world stage a year to say something – in 2002 it was Eurovision, sometimes it's to do with hunger or something else, and it is important that the country talks about the right thing when it has the opportunity, and that everyone talks about the same thing. So, limiting the stories was important and we gave them, through photography, a way of creating imagery on which they could then overlay text and messages that would help spread the news.

The next project I wanted to talk about was for a church. When I left Interbrand I had done big globals and I'd done a country and I felt I wanted to start my own agency but I wanted to do something really different. It just so happens that at the time of the transition I was phoned up by a vicar in Cornwall who had seen me being interviewed about the Estonia project. He had noticed my name and noticed a woman in the church had the same name and thought there might be a connection and it turns out it was my Mum's church. He rang up and asked if I would mind doing a logo for the church and I said I will do a logo, but I think what you need is a communications strategy in order to rethink everything that you do, because the way the church operates in terms of its marketing is quite poor. So, in the same way in the 1970s I think it was Cliff Richard said, "Why should the devil have all the good music?" I thought "Why should the devil have all the best branding?"

If you take God as a proposition there's a lot in there – real love, Jesus, a real friend, real salvation, which you can't really get anywhere else, real happiness if you believe and real guidance through a fantastic guide book. The way the church operates is the way a lot of organisations operate before they start thinking about how they promote themselves because a brand is essentially what people say about you when you are not in the room and when you don't have an opportunity to preach to people and have to rely on what people think about you. This is how the church communicates traditionally:



The vicar wanted the church to be more relevant to the local community. It wasn't about getting more bums on seats because already that church is quite full. But he wanted to people to re-engage. What we did was we split the project into two and started off doing some sessions with the PCC and started off thinking about the way you talk. There is a massive opportunity here because none of us will ever have "I wish I'd spent more time in the office" on our gravestone so it does mean we are all interested in other things apart from our day jobs and apart from our careers - and that is actually life that we are interested in. And the church essentially should be about the business of life because it is a massive subject and this particular a church did a lot for people in the community. You need a logo because you need to stamp that against all the activities that you do – so we did that so people were reassured that they had it. What we then said was we're going to start re-engaging with people and we're going to do it by starting a dialogue with people and using language that belongs to us within the church:



At the bottom of these posters it says, for example, “Bloody Hell is the registered trademark of God’s Kingdom since BC” or “Oh my God is the registered trademark of God’s Kingdom since BC” and so forth. So we had these poster campaigns with aggressive bits of language, but when it came to their inner corporate identity we used softer language like compliment slips with “Thank Heavens” and a business card with “God Knows Who I Am”. The story doesn’t end here because what we did was we decided that rather than take this and turn into a Harry Potter style commercial venture we felt we should replace the traditional tracts that people have (like Jehovah’s Witnesses giving you *The Lighthouse*) because even within this church they have leaflets they give to people who don’t read or respond to them. So to spread the message we decided to take everyday household products and re-write messages on them that would be relevant for those products and for people and that will create a

dialogue. It is also less embarrassing because you don't have to be Christian to buy into his. Here are some examples:



Some of these products were created and we're still working on a lot of them as they need funding. But on a day to day basis they have to produce things in a cheap way and what we did with the newsletter was design it around the way they work, which is on coloured paper, but also put a circle in the corner saying "place fridge magnet here". Everyone in the church was given a fridge magnet so they would stick the newsletter on the fridge every time they got a new one and if you joined the church you got a magnet and the newsletter would then come through the door. So it is just having lots of ideas that sell themselves rather than trying so hard to sell. Good ideas will sell themselves and as a result of this work St Kea has been featured on television and in newspapers. The website includes the products but also contains the manifesto that drives all of this.

Keynote: Some Possible Solutions - Get the Management Right

Professor David Clutterbuck, Writer & Consultant

The notion of having something different came through from the previous presentation but it is also something that characterises organisations that manage to win the hearts and minds of their people. Some of the research I'm going to refer to, as I go through a pot-pourri of different ideas, is work that we've done over the years into companies that do things that are radically different – people that fire their customers, for example.

I'm going to talk about four things:

- Retention – how do you keep the people that you want? You probably have some way of calculating what it costs you to lose a valuable employee and you can usually say it is around 1.5 times the salary of that person. Bear in mind that a recent survey suggested that over 60% of managers in the U.K. have dusted off their C.V.s ready to move on during the course of the next twelve months.
- Motivation – once you've got people how do you energise them and ensure they enjoy their work?
- Empowerment – the primary thing that is wrong with most management is that it is seen to be getting in the way?
- Being a role model – what kind of a role model are you? It is important to be a role model and to demonstrate values through your actions.

Retention

Coaching and mentoring undoubtedly makes a big difference. We know from a whole variety of studies that people who have a mentor are only half as likely to want to leave as those who do not. One of the big pharmaceutical companies, for example, had 27% turnover across Europe in their finance department but only 2% amongst those people who had mentors, because those people felt valued and respected and felt that they are developing in their roles. We see lots of incredible things happening as a result of people having the opportunity to talk to somebody about the issues they have, the stresses and strains. We see people thinking through the job that they're doing and getting more out of them. In one particular case recently, we had somebody who had got a mentor because they wanted to move on, preferably within the same organisation but not necessarily, and the main reason

was they thought their boss was a plonker. Now actually I've found most people over the years think, if not their boss, then their boss's boss is a plonker. It's one of those things that are endemic in organisations because people don't understand what happens at higher levels and part of the issue is explaining those to people. In this particular case, after six months, the person said they didn't want to move on as they felt they had an opportunity to learn from their boss, even though they still didn't like him very much. So, we have an opportunity to use some techniques like creating developmental relationships to change things. In quite a few organisations that have done this, like the NSPCC, they're doing it the other way round - where the mentees are the Chief Executive and the people at the top. This started happening at Proctor & Gamble some years ago because they had a problem that they had a lot of women leaving the organisation in middle management and they had a retention problem. So they thought we'll get all our executives to adopt these more junior women and teach them how to think, how to behave and so on. They were about to launch this and somebody suddenly thought, has anyone asked the women what they think about this? You can imagine the kind of response they got back.

“Are you saying there's something wrong with us?”

“No, it's a cultural thing.”

“Well who makes the culture in the organisation?”

“Well, we do.”

“So the problem's with you but you want to change us?”

So then the women mentored the men instead. The programme has now has been stopped because it has been so successful and there are now more women than men in those senior roles.

Then there is the whole issue of worth and values. There is a psychological contract between the organisation and the people who work for it – it is usually an unwritten set of rules and expectations on either side. We have found that these boil down into three elements of value: worth, respect and beliefs.

Worth is about the money you can get, along with a pension etc. and the value that is created in you by training: these are the things the organisation promises to give you and in return the individual helps the organisation to achieve its objectives – the individual adds value to the organisation and therefore there is a value exchange.

There is also a respect exchange where people feel that they are listened to and their contribution is valued, that they are being given praise and recognition for what they do. In return, they feel that it is great to work for this place and people come up to me at parties and ask me what I do and I say I work for this particular organisation.

Sharing the same beliefs is also important. There is a big organisation I'm working with at the moment which is in deep problems and the main reason is because the people who work in it are being asked to do things which go against their strong inner beliefs about what is right.

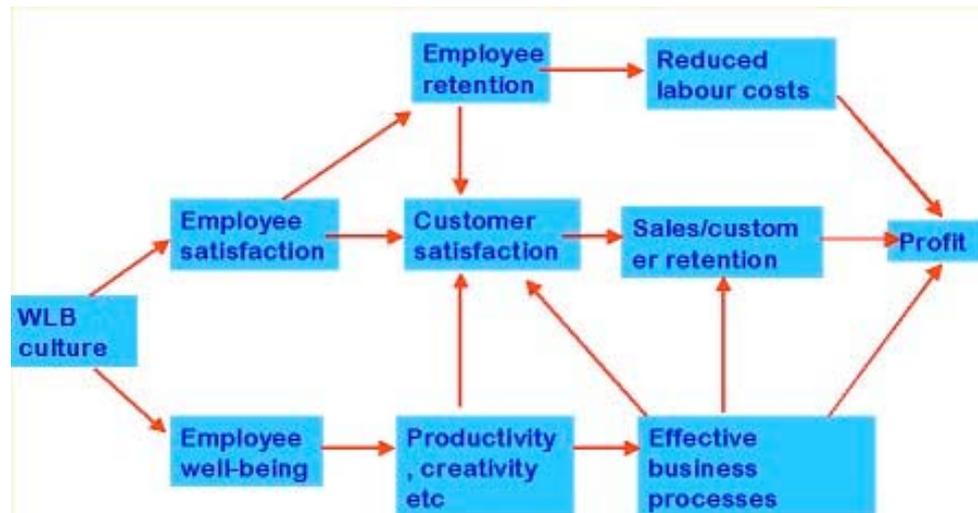
These same three measures of the psychological contract – worth, respect and beliefs as a contribution to value – apply not just to your employees but to the relationship of the organisation to its customers, shareholders if there are any, the press, all of the stakeholders. And you can measure the change in one versus the change in another. It is no coincidence that British Airways has a dispute with its staff and passengers stop booking top class tickets.

So this is a little exercise we sometimes do with people to sort out what they value. So, you have ten points to assign (whole numbers only) between the following four priorities:

- Money/financial security
- Status/recognition
- Job satisfaction
- A fulfilled life outside of work

Success is about achieving what you value. It is getting the thing that you've set your eyes on, but only if it is valued by you. If you achieve things you don't value, that is not success. And we tend very often to think about success in our own terms, rather than in the terms of the people who work for us and with us. If we actually go to them and identify what they consider to be success we're much more likely to motivate them.

Work-Life balance. Life is more complicated than ever before and many of you will be parents. How much time is spent as a taxi service for your kids? The enormous choices that you have also complicate life. There's a whole range of research at the moment into people called minimisers – these are people who when they go into a shop just buy the first thing that does what they need rather than thinking about the choices. Maximisers are people who want to get exactly the right decision but the trouble is there's so much choice now they are never satisfied and they are very stressed. The same thing happens at work where the choices you have are too great and stress comes very often from an excess of choice: reducing choice or managing complexity is really what work-life balance is all about. If you help people tackle the issues of work-life balance for themselves you are more likely to benefit from the work-life culture profit chain:



People need to work out what they actually want from each aspect of their work-life balance. Most people don't know what they really want from their work lives. Unless you sit down and actually work it out you'll never really be able to manage the complexity of your life.

We all have conflicting demands on us. It is understanding and managing those that is the critical thing – how people sort out the conflicting demands on their time, physical energy and emotional energy. This includes achieving the self-discipline and the boundaries to say no: for people who have more than one boss we find both bosses demand at least 70% of that person's time so you have to be able to say no. It is important to learn how to recognise and manage the stress that comes from conflicting or excessive demands

Where do you find your personal reflective space? Very few people come to work to think, they come to work to do. But one of the most critical things we can do in organisations is give people time and permission to think. As managers if you don't demonstrate good practice in creating reflective space in the workplace the people who work for you will not be able to do so either.

Motivation

We can't deal with all of the aspects to motivation here but a simple way of looking at the motivation issue is why do you get up in the morning? You have a choice – you can get up or you can stay in bed. So, apart from the money, what is it that motivates you to get up? Then, what about the people who work with you? What makes them get up in the morning? If it is just the money then you have a problem. If it is more than the money – if it because they want to be there - then you have a big advantage.

Very often part of the motivation is communications. Communications in most organisations are dreadful. Three years ago we did a big study where we took a number of organisations and we looked at the quality of communications in those organisations and we were looking at the connection between good quality communications and bottom line results. We looked at the organisation in terms of how they performed financially, in terms of reputation and in terms of implementing major change. Then we looked at what the communications function did, we ran focus groups, did a literature review etc and we found out that the key things that the organisations thought communications were about were having a communications strategy, having professional people in the role, having wonderful media – and then we correlated the two and we found absolutely no connection whatsoever. When we looked at the data in a bit more detail we found that these four things all relating to top management came out as critically, directly related to the effectiveness of the business:

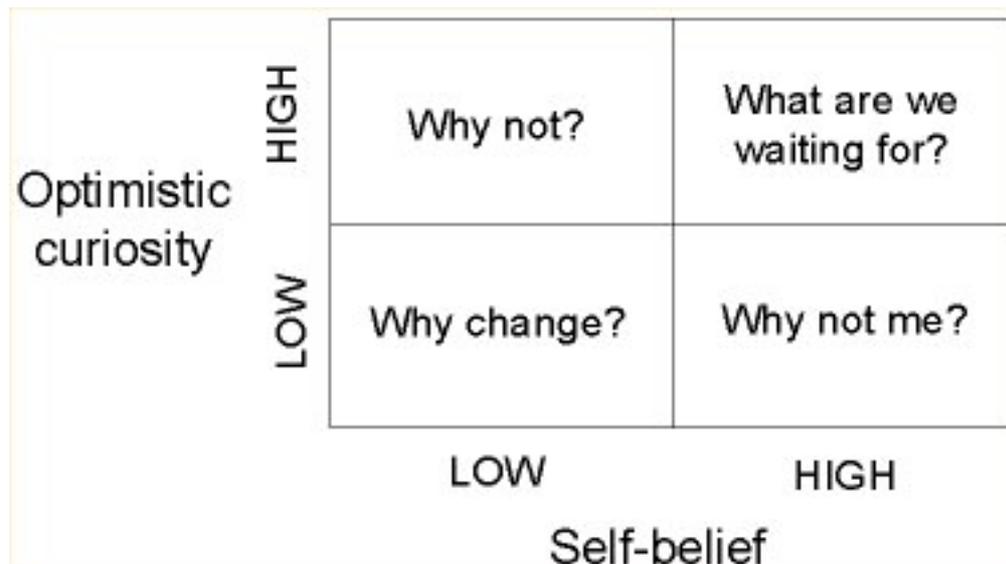
- Clarity of purpose – does top management know and demonstrate it knows what it is doing? And do other people understand how they then fit it?
- Quality of interfaces – do people trust one another, collaborate effectively, do they like working with one another?
- Information and knowledge sharing – do people hoard or share information, best practice and good ideas?
- Communication behaviour of leaders – how well do leaders demonstrate good communication practice themselves – do they walk the talk or do they say one thing and do another *e.g.* we need to keep the wages down but we're having an increase?

With motivation often what you're looking for is fizz and buzz. Fizz is the enjoyment that comes from the task itself and buzz is the enjoyment that comes from socialising with others that share the same interest. If you can create those in your organisation you really have something going. You need fun and fun happens because you make it happen, to a large extent. People are a lot more likely to commit to your business if they expect to have fun and that applies to both customers and employees. What we have found is if your business is perceived to be intriguing and fun in itself, people will come to it. You can get a lot more marketing value by people coming to you because they know that you do interesting things than by you having to go to them and try and sell them something. Crazy makes more and better headlines than sanity – why pay for promotions and advertising when you can get it for free? You can get people to enjoy your business simply by enjoying it yourself and remember that fun starts at the top – boring leaders create boring environments. Fun also works better when you work at it: the more effort people put into having fun, the more they and the company will get out of it.

There is also a pride issue when it comes to motivation. What is it that makes employees go the extra mile? Do you feel pride in being there?

The evidence that we've had from all the wacky companies is that if you just go and hire people that have got the skills and the qualifications to do the job you get some benefits out of it and they may be quite loyal and you may get good work out of them. If you hire people who actually have a personality fit, who really want to be there and who represent the kind of values that you want, then you get many times more out of them. There's one organisation that we looked at for which, had you turned up for a job interview, they give you a brown paper bag and say, "This is for your application – show us your ingenuity. You can write on it, turn it into something else but you decide how you're going to use it." They've found they get a much better quality of person simply by hiring people who are not fazed by the idea of being innovative and creative.

Wacky companies, companies that are different, allow and encourage people to innovate. Many of the most useful innovations occur because people didn't know it couldn't be done and a spirit of adventure, combined with clarity of values, is what stimulates original solutions. This is the critical matrix, the adventure grid, for which we want to be in the top right hand corner:



You have to ask yourself if you and the people you work with are in that corner.

Empowerment

The empowerment issue is, as I said earlier, primarily about not getting in the way. All these things create bureaucracy:

- Systems that go unchallenged;

- Systems that aren't owned and controlled by people who use them;
- People who are not in control of their jobs (so they have to find ways of controlling other people's);
- Structures that don't allow for initiative;
- Lack of personal direction and purpose.

Taking, as an example, structures that don't allow for initiative: I'm not just talking about physical structures but the systems, the processes and the habits you get into. I was working with a printer who had set up a company with sixty or seventy people working for him and he wanted to retire, but he had always run everything and every decision had come to him. The banks told him that if he wanted to sell the company he needed to have a solid management team. So, he tried to get the next layer of management to take the initiative. He told them to take the initiative, but the habit had been ingrained for years. He got angry, but that didn't work either. He went on holiday without telling them until the Friday afternoon, when he said they would have to take all the decisions until he came back. When he got back his desk was covered in things that had not been done. So, we gave him a new tactic. He let them bring the issues to him, he gave them the answers and then, when they got back to their desks, there was a little brown envelope and inside it was an invoice that said For Doing Your Job – 1 hour and it was docked against their departmental budget. That worked in two out of three cases. I'm not suggesting you all have to go out and do that, but it is a nice example of something innovative that worked.

So, how do you change bureaucracy?

- Challenge every system;
- Let people design and control the systems they think are necessary;
- Make people responsible for their own jobs;
- Leave room for imitative;
- Design jobs with inherent direction and purpose.

Use naïve, new people to ask questions. There is a wonderful story about three monkeys in a cage. The cage is set up with a tree and at the top of this tree is a bunch of coconuts. When the monkeys are introduced to the cage one of them immediately starts to climb the tree. It then switches on a hose full of freezing water and it washes the monkey off the tree and covers the others. Once they've dried out a second one tries and the same thing happens. Then the third one tries. And so on and so on.

Eventually, several generations later, any monkey that goes to climb that tree gets beaten up and none of them know why. Our organisations are full of systems and processes that nobody knows why they

are there. One organisation introduced what we called banana memos. There are email requests you can send saying, “Why do we do it this way?” or “Why don’t we do that?” Instead of people saying, “Because we always do”, they have to have a reasoned reply. If there isn’t a reply then the system is meant to initiate a discussion to look at the process and whether it could be done differently and as a rule they have created a great deal of change.

The leader as role model

We have found through our research that being a good role model for learning, communicating the business values and for change is quite hard work. As a leader you will be a role model whether you like it or not – the difference is between whether you are a good role model or a bad one. You want people to take from you the things that really matter, the things that are good and not the things that are bad. That is quite difficult but it involves thinking about what you do and ensuring that you become larger than life in those areas and behaviours that you want people to adopt.

An example from our mentoring practice is a young woman who was known as “the mouse” by her colleagues. She would always be at the edge of a group and she wouldn’t say anything and you had to work hard to get her to put herself forward. We gave her a mentor who was more senior, positive and assertive. After six months we had to stop it because the mouse had become a tiger and wouldn’t take any nonsense! What she had done was learn the behaviours, but not the context in which to use them. What is important about being an effective role model is that you help people understand not only what behaviours are appropriate but also how to use those behaviours and when to use them. So, being an effective role model is much more complex than people normally think.

We did a major piece of research that looked at how six different types of team learned. What we found was there were some common characteristics of team leaders who got the most out of people in terms of continuous learning and continuous improvement in the team. These are some of them in the following table:

Traditional team leaders	Learning team leaders
Avoid admitting to their own weaknesses/lack of knowledge	Openly admit their own weaknesses/ lack of knowledge
Avoid asking for direct reports for help in learning	Actively encourage feedback and learning from their direct reports
Spend some time coaching	Create a coaching climate
Give people feedback at appraisal time	Give constructive feedback all the time
Focus on achieving the task	Focus on achieving the task and on learning
Stretch people by giving them more work	Stretch people by giving them more challenging work
Use team meetings to provide instruction	Use team meetings for discussion and dialogue
Discourage people from taking time out to reflect and build relationships	Insist people take time out to reflect and build relationships
Insist on approving any experiments	Encourage people to use their initiative
Chair team meetings	Encourage other people to chair team meetings
Send people off on courses as a reward	Send people on courses so they can share what they have learned with their colleagues
Avoid discussing feelings wherever possible	Encourage people to discuss feelings as an important part of building trust and mutual confidence

The coaching climate is where everyone in the team has a responsibility for helping everyone else to learn. With giving constructive feedback all of the time, one of the things we found in our research was most managers spend a lot of time not facing up to difficult issues. Think about how many times in the past couple of weeks have you seen something - dysfunctional behaviour - and not said anything? We all do it, but the ability to be able to confront those things in a constructive way is an important part of being an effective leader. Team leaders shouldn't chair team meetings because they should be listening and encouraging other people to learn leadership skills. The feelings issue is probably the most important one of all and again it comes down to avoidance – it is very easy to talk about rational things, but if we actually get into how people feel then we can identify the real issues to deal with in terms of retention, motivation and all the other things we spoke about earlier on.

So, that is a gallop through a range of things that relate to developing people and the team you have got. I think it boils down to thinking creatively and what industry should be better at thinking creatively than this one?

Keynote: Some Possible Solutions - Get the Strategy Right

Stephen Cashman, Consultant

When I was invited to do this presentation I was deeply honoured and I was deeply concerned and, as I thought about it, my concern built. Because what I'm going to show you this afternoon is a radical contrast to what I was suggesting last night.

I think the issue of duality feeds into the subject of the symposium. I woke up last night and I thought, "I can see what's going on here". We talk about "competition" and we're trying to combine two different notions – what we might call "Big 'C' Competition" (the macro Competition from outside environmental factors) and "small 'c' competition" (the micro, local competition). That blending of the two can sometimes be problematic and I thought, "Which one should I relate this talk to?"

My final concern was that I had twenty minutes to discuss getting the strategy right. Strategy is big stuff we could talk about for days, as there are so many different takes and perspectives on it. So, I decided to take one element, one piece of thinking on strategy. This is not necessarily about doing it right, because they aren't any right answers in strategy - just different ways of doing things.

So I thought I would think in terms of "small 'c' competition" (competition with other organisations) and about something that has been developed recently – the idea of co-opetition, which comes from something called game theory.

The notion of co-opetition was first documented and thought up by two American academics and their idea first struck me in a real life situation. It was a strategic conundrum: it is Tyneside, turn of the millennium and suddenly you, the venue you work in and all the other venues on Tyneside realise there is about to be an explosion of dance. There are seven runs of dance programmed in three nearby venues all within seven months. So, do you feel lucky? How do you react? What are you going to do? Well you may have come up with the answer that it was fantastic, or that it would chop the legs off the audience, or maybe that it was a fantastic opportunity to work together and do something about it. That whole notion of working together for some positive end is where co-opetition comes from.

These Americans, Nalebuff & Brandenburger, wrote a book in 1996 called *Co-opetition*. Co-opetition is a glorious hybrid that commingles both competition and cooperation. They are suggesting that, in different times and in different places, there is a place for both.

"Business is cooperation when it comes to creating a pie and competition when it comes to dividing it up. You have to compete and cooperate at the same time."

But where they got the idea from was a school of thinking and discipline that is called game theory. Game theory is particularly interesting, even more interesting having heard what Nick Baylis had to say this morning, because it is about the mathematical study of games and strategy and it straddles economic and social theory, with elements of psychology. The psychological element actually makes an assumption - perhaps one Nick wouldn't agree with - that people make logical decision. Because the whole thing that game theory is about is modelling what happens when people make decisions. And the classical model of game theory is what I'm going to show you now, because from that flows the whole notion of co-opetition.

This is called "The Prisoner's Dilemma". It is one of those models that epitomises what game theory is all about. So, our main character is a conductor, travelling to a gig by train in the Stalin era. It is a long journey so he decides to study his score. Little does he realise that two KGB agents are watching him. They see the dots and they think, that's code - he's a spy. So they take him off to prison and he sits there for days wondering about what is going to happen. After a few days the agents come in and say, "Right, we've got your mate Tchaikovsky and he's spilling the beans". So what is the conductor going to do? As it happens he actually kind of knows the rules of what tends to happen at the prison. So, he works out what the likely payoffs are of what he thinks his options are. The matrix below puts his behaviour along the top and Tchaikovsky's behaviour down the side. Let's look at the sort of things they might do and what is likely to happen:

		The Conductor	
		Hold out	Confess ←
Tchaikovsky	Hold out	3, 3	1, 25
	Confess ↑	25, 1	10, 10

The conductor knows that if he doesn't say anything and holds out and if Tchaikovsky holds out they will both get three years in prison. But he realises he doesn't really know what Tchaikovsky is going to do – he's never met Tchaikovsky, and whoever he is he certainly isn't the composer because he's

dead. So he works out, given the rules, that if he confesses and Tchaikovsky holds out, he, the conductor, will just get one year for bad behaviour while Tchaikovsky gets twenty-five years in prison. He does some more thinking and thinks about what happens if Tchaikovsky confesses and he does not: this time Tchaikovsky gets the year and the conductor gets twenty-five years. He realises that if they both confess they both get ten years. Now the thing that strikes him about this is, no matter what Tchaikovsky does, for the conductor the best outcome always happens when he confesses – either one year rather than three or ten years rather than twenty-five. So, the obvious thing he decides to do is to confess. Except Tchaikovsky has been doing the same thinking and has worked out that for him the best option is to confess. So he confesses as well and then they both go inside for ten years. After a year they meet up and realise they've been had: if they had both held out and not said anything they would have got three years rather than ten.

There are some very interesting things going on inside that game that have a direct relationship and direct consequences for the ways in which we do certain parts of strategy. For a start there is something interesting and paradoxical about some of the contrasts contained within the game – the tension between good intentions that lead to bad outcomes and the tension between doing what is best for you as an individual and doing what is best for the common good.

Now it has to be said that some commentators have taken those ideas and turned them into initial learning points so we start to take some guidance for situations like this. It shows the benefits of thinking ahead, preparing for what the political scientist Robert Axelrod calls the shadow of the future. This is the fear of what might happen in the future - the scary things that might happen the day after tomorrow. But actually thinking about what is coming next and preparing gives you some chance of surviving the present and into the future. The prisoner's dilemma also shows the benefits of having some sort of prior deal with the other person in the game to work collaboratively for the common good and it also illustrates the need for mutual trust.

There is something about this though that is perhaps a bit too pat, a bit too easy. And other commentators have expressed a number of reservations and caveats:

- The prisoner's dilemma is an abstract simplification;
- There are bits of it which are what game theorists describe as the Zero Sum Game – (that's boxes or places on it where there is an "I win, so you lose" situation);
- People also have problems with it because it is just a one-off – we can't repeat it and don't know what happened after that: it is what the philosopher John Carse calls a finite game.

But real life's not like that. Real life is perhaps best seen as a non Zero Sum game - a game where sometimes both people win. We should also see life as an infinite game that is open-ended

So, what Axelrod did then was just played through the Prisoner's Dilemma over and over again and he felt that he had got convincing proof that co-operation was invariably the best strategy for winning the game.

What is interesting about what Axelrod did was he started distilling from his work on that iterated or repeated prisoner's dilemma a kind of prescription for how collaborative networks of organisations might make themselves more effective. For a start, he said, you need to enlarge that shadow of the future, you need to talk up that sense of concern about what might happen which enhances that sense that we need to work for the common good. He says we need to teach people to care about each other and that we also need to change perceptions of the payoffs. People actually need to reconsider what is the best outcome: is it really what is best for them or is it what is best for everyone? He also found out that perhaps the best way of playing the game was an approach that he christened "tit for tat". In "tit for tat" what you do is co-operate first and then reciprocate with the other person – you do what they do. He found that was the best way of winning this game.

So, let's talk about the arts and audiences. What it comes down to, that notion of working for the common good, is about working to build a bigger pie rather than fighting over a bigger chunk of the pie. Let's say you have an available market of 200,000 people and your organisation is currently enjoying a market share of 15% - that means that you are getting 30,000 people each year. Now one of the beauties of working collectively and collaboratively is that, by working together, what happens is you stimulate the market, you get access to new attendees and new markets and the assimilated market gets bigger. So let's say the collective action goes on and there is a 10% uplift in the market to a total of 220,000 people. Now, even if your organisation's market share dropped – down to 14.5% - that absolute number of people you are attracting has gone up to 32,000. So, by not worrying too much about what market share you're enjoying and being more concerned about growing the cake it has benefits for all of the organisations.

So, if we go back to the strategic conundrum – the explosion of dance on Tyneside – it happened when I was Chief Executive of the audience development agency for the Northern region. A lot of people started coming to us and saying, "There is a big opportunity here, why don't we do something about it?" So we put in an application to the New Audiences programme and we devised a project that enabled collaboration. We called the project MOVE, partly because it was about dance but also because the intention was to move the audience between the different venues on Tyneside. It was a collaboration between Dance City, the dance development agency for the Northern region, Newcastle Playhouse, Sunderland Empire, and the Theatre Royal Newcastle. What we did, first and foremost, was to pool everyone's mailing lists. Once we had got a big dance database we MOSAIC profiled it to find out who was actually coming to contemporary dance and then used that as the basis for taking collective promotional action. I like to think that the proof of the pudding is in the eating and when it

came to the MOVE project we started off with a combined database of 15,500 names. As a result of the collective promotion we saw 557 people booking, generating around 1,500 ticket purchases that were new to the relevant venues, and we left behind a legacy database of 700 active dance attenders. That happened because all those organisations were willing not to fight over market share but to collaborate to grow the pie.

So, co-opetition means a combined approach that helps you grow the cake while occasionally fighting for a share of it, adopting the behaviour that is appropriate for a particular circumstance. A willingness to think ahead is crucial and co-opetition will require a change of mindset dropping our attachment to market share. We need to get people to appreciate the actual value of mutuality and say let's work together for everyone's benefit and for the common good.

Seminar: How Should the Arts Extend Their Core Products to get Ahead of the Game?

Darren Henley, Classic FM

“What drives Classic FM wanting to get involved in encouraging audiences to attend live events?”

“The BBC have a £20 million marketing budget to spend on billboards alone each year, as well as the opportunity to cross-market their radio products on the TV and vice versa. We are very cost-conscious and a small team – the television station is run by two people. Extending the brand does not necessarily incur huge costs but can be used to get the brand out there and as a marketing activity.

The arts organisations can use us to get their brand out there so it is also a marketing activity for them and what we bring is we help to get bums on seats. Also for the RLPO, for example, it is important that we are putting out a message about the city of Liverpool as well as about the orchestra. Since we’ve been working with Liverpool they have received an increase in their funding and we hope we may have helped contribute to that. On the esoteric point, we do believe in the purist experience of seeing the whites of the eyes of the performers. We want to build people into that, and them attending three or four concerts does not compete with them listening to the radio - it is complementary and it means people got more involved in classical music. We ran some focus groups in Sidcup, Nottingham and Manchester incorporating light, heavy and lapsed listeners. We found that light listeners were astonished that we had six million listeners: they were reassured by it as their children or whoever was always telling them, that they shouldn’t listen to it. That is a barrier that we are always trying to break down about perceptions of classical music.”

“We did a Test Drive in Liverpool and got 1,500 new attenders. 20% were back within three months and paid something.”

“We found about the same for an LSO performance at the Barbican. They went to extraordinary lengths not to tell their existing audience and it sold out in 2-3 weeks. And they got about the same percentage to return. We are careful in how we select our partnerships. There is no point in people having a first concert experience that won’t be pleasurable. This doesn’t mean it should be lowest common denominator but it has to be the right programme. Otherwise, if they go and it confirms all their worst fears, we will lose them.”

“Nick Baylis was suggesting that singletons represent a real opportunity for the arts - not quite being a dating agency but people who are on their own may feel there are activities they would like to do but can’t do as they don’t have anyone to do them with.”

“Yes – if you go down that route though, it is important to divide people by age. If you get one person who’s 25 and the rest are 79 or vice versa you will have a problem.”

“We used to do soirees before a performance and found as a result of that people formed their own clubs.”

“We did something in Buxton aimed at the over fifties. It was not dating so much as facilitated introducing, and the facilitation is important.”

“I think one of the things, in terms of creating new products, is the knowledge deficit of new attenders: they don’t know the things that other attenders know and are hungry to know more. So, pre-show talks for example – whenever I go to one of those I see the regular attenders who just go to everything. However, Marin Alsop, who is a fantastic communicator, turns round and talks to the audience and made the audience feel warm. She then invited people to stay on afterwards. 85% - 90% of people stayed behind for a post-concert talk because they had decided that it was entertaining and they wanted to stay.”

“But this needs a mindset change in the arts. For example, there is always the caretaker who likes to lock up at a certain time.”

“Early on, the radio station was quite self-censoring and was wary of innovation as we were keen to be conservative but over time we’ve challenged that more. There is an example of mindset change with the Philharmonia children’s concerts. One of the players suggested the orchestra do it in fancy dress and have a theme. The first one was the seaside. The management were a bit nervous of asking the players to do it but they thought it was a great idea (the point being because it was one of their ideas) and they really got into it. So new products can come out of the performers. But often the mechanism in organisations is not in place for players/performers to input into doing things differently.”

“We programme about thirty orchestral concerts a year and we are keen on changing the format – even just something as simple as different lighting.”

“Yes – although be careful about having the house lights on as research into people’s psychology shows they like having the lights off as they feel less self-conscious.”

“My concern, though, is we don’t know to what extent we might alienate the exciting audience. Perhaps the early solution is to have different types of performance for different markets.”

“That’s the same issue as what we do with the radio programmes. We have our existing audience but we also want to grow a new younger audience.”

“Maybe the answer is to do nineteen of the same concerts as before and one different.”

“We run the Chiller Cabinet from 2am - 4am on Saturday and Sunday. It is two hours of ambient music with no DJ with film soundtracks, pop crossover and so on. We don’t market it to the main part

of the radio station. There is a little marketing for it in magazines but never in, for example, Saga magazine.”

“The CBSO does 6pm concerts for the rush hour, which are guaranteed to be not longer than 50 minutes. So these issues about timing to fit into people’s lives are very important.”

“It’s always good to ask why and to challenge perceptions – like those banana memos. It can’t be done overnight and you do have to safe-guard your revenues in the short-term – you can’t afford two or three bad years while you prove a point.”

“It can also be about buildings. One concert was run for new attendees in Bristol and they had to delay the start of the concert because the toilets were so hard to find and the staff had to operate as stewards. It made them aware that the building was not user friendly if people had to ask where the toilets were.”

“We can’t afford a big orchestra at our venue and we wanted to introduce classical music but we only had about sixty people for the first concert. The people who did come thought it was a great night.”

“This is an issue we struggle with when going out on tour. Many of the venues do not necessarily have a classical music audience as such or the marketing expertise and hiring in an orchestra is expensive and you have to be quite sure you will get a decent audience.”

“My feeling about starting up is that it is all about repertoire, especially when you are cost-constrained. Certain pieces sell more easily than others. We underwrite two concerts a year that we sell out for charity. Over the years we have found that it absolutely comes down to repertoire. Frankly the names of the orchestra, conductor or soloist are not key drivers.”

“In the concert we did do, for example, the Four Seasons.”

“People need reassurance that they will have a fun time. We have also found that people tend to like a concerto, particularly a piano concerto, so genre might be important as well as composer. A concerto gives you visual interplay – the thing that you can’t get from the stereo at home. Symphonic works tend to do less well for us. We often sell out but it is just all the same people and in ten years they’ll be dead so repertoire is where it is at for developing audiences as well.”

“One of the findings from the focus group that astounded me was that one group got very aerated by chamber music. They couldn’t define what chamber music was but they knew they didn’t like it.”

“I think chamber music is generally perceived as even older and more stuffy.”

“I think the terminology is a problem – the talk is cliquy like ‘sinfonia’, ‘concert orchestra’, ‘philharmonic’ and people don’t understand the difference. The people who do know can wax lyrical and then you have a self-fulfilling prophecy about people feeling that it is not for them.”

“We find that smaller scale music – quartets etc. – is a hard sell to even quite experienced attenders. Maybe chamber music has gone back to where it started - in people's living rooms.”

“But put it in a castle by candlelight by night and you get a very different experience. We are guilty of promoting features (the number of people playing for example) rather than the benefits (the sound will make you shiver).”

“There is a resonance in this conversation for all of the arts: start time, place, copywriting etc.”

“I think it makes sense to have more performances on Sundays rather than Mondays and a performance time that means you don't have to make a choice between having an early dinner or a late one.”

“The problem is we tend to be habitual and just do the same thing and expect it to work.”

“That is the worst thing if you get asked for your opinion as an audience member and then see no changes as a result. That way you lose the audiences more than you had them before.”

Summary

“We need a proactive attitude to change.”

“We need new opportunities to engage and sample – shorter concerts, snippets”

“Recognise the importance of seeking partnerships for mutual benefit – together we have a bigger impact and at a local level we should look at partnerships not just as does that person have £10k to sponsor me but at what each organisation has to trade that might be beneficial for the other.”

“Ensure each product does a particular thing for a particular market rather than everything being for everybody all of the time.”

Seminar: How Can We Build A Single Brand for the Arts?

Marksteen Adamson, ArthurSteenAdamson

“Should we give the arts an overall brand image? Just to echo recent research on authenticity - the Henley Centre’s presentation on Barbary pirates suggested we should try to find small, niche markets - and if we start to create this big brand that says art is good for you or whatever, could we actually be shooting ourselves in the foot?”

“I think the real issue is this. I was asked recently what I thought about regional branding. I’m Cornish and I believe quite strongly in the Cornish identity and if you start doing regional branding or county branding like Ireland and Scotland then that’s all fine if you are the first three to do it, but if everybody does it you’ll end up with regional brand pollution. In the last session Stephen was talking about the idea of pooling together. So, it would be good to have a body that promoted the things that you’re all trying to promote – but under that, individually, you have sub-brands that exist and work together and create their own identities. If you do just an arts brand the focus would be different as it would be much more of an external activity about getting lots of people to understand what the arts is, what they are trying to do and what the arts can do for them. The individual brands underneath that would be focused on specific specialisms so I don’t think there is a conflict.”

“But whether or not you create a brand for the arts there is already perception – whether it is for you or not. What I would be interested in, with creating a brand for the arts, is opening the door to the experience. And although the arts is really diverse, actually if the BBC can create a brand then there is no reason why the arts can’t.”

“Yes – you can’t not have a brand it’s just you can be a bad one or a good one.”

“One of the interesting things for the arts might be how do you establish the values in the first place? One of the interesting things with Estonia was how did you arrive at those core values?”

“I think the answer is, when you start thinking about these things, you’ll all be thinking about it from your own perspective. Because of that it would be quite hard to see how it would all tie together. But if you look at it from a bird’s eye point of view you can see actually the most important thing for an external audience is x,y,z and these are the things that we should be talking about to get people more excited or interested. So I think there is definitely an issue to do with external or internal in this particular case. But it is possible to do it for something as diverse as the arts because I think if you can do it for a country you can definitely do it for the arts because a country is a lot broader.”

“With the Estonia project what was the value or promise that you were trying to communicate?”

“Off the top of my head because it was a long process, what we ended up with in the end was five stories that drove all the communications. For instance, the fact that it is an ecological haven; the fact that it is a tax haven so there is a huge business advantage more so than any other European country, so if you are Volkswagen and contemplating building a factory in Lithuania you might consider Estonia instead because the tax relief is going to be a lot better. So there were the most important stories. Then there were other things to do with communicating that we are 70% Russian and only 30% Estonian where we had to say well actually nobody really cares about that so stop talking about it – that is an internal conversation.”

“How did you manage to get it down to those stories?”

“The stories were narrowed down using a panel of people who were initially interviewed – so the intellectual elite had a lot to say about what they felt and using them, people in business, education and tourism we were able to decide on the stories. That is a long process and of course not everyone is going to agree with it but you have to decide sooner or later that is what you are going to do. The other thing about the identity was, just from a very practical point of view, for people who have wanted to do something more personal and perhaps tell a different story that is not quite the main story, they were still able to do that and use the mark to be part of the bigger picture. I think what you have to do is that you have to make the choices you’re recommending so exciting that people look at it and go that makes logical sense, because the other one is definitely a pub conversation rather than an international stage conversation and what you do is you build criteria which it needs to meet, otherwise it is a pub or internal conversation.”

“So you are distilling the process rather than allowing them to create it?”

“Well, people are creating it by making the suggestions. So if somebody says we’re an ecological haven because 70% of Estonia is barren, beautiful land that suggestion is good and so it stays. Tax haven is a very good story and so it stays. So you’re taking the best of what’s there.”

“Translating that to the arts though, who would be the most appropriate people to do that distillation because presumably it would involve audiences?”

“The trouble with involving audiences is that you go and ask people lots of things but you probably already know it: there’s probably a lot of databases and research and, in terms of knowledge, if you have too much you end up with analysis paralysis – you can’t do anything with it because there is too much of it. Probably the most proactive thing to do would be to set up some kind of committee like in Estonia – the Estonia Enterprise Committee was the central pin that linked up into government, industry, tourism and all the different audiences. Then there was a panel that eventually drove the whole project and I think you probably need to have a panel which is a selection of people in the arts who would drive that kind of project.”

“We’ve worked with the BFI recently and we’re helping them with their strategic view and changes. If you go into BFI after a week you understand it all. If you’re outside the BFI you have actually not a clue what they do. There are a lot of bits that come under that BFI and what has happened over time with the BFI is that the things the BFI created had strong sun brands and now some of the sub brands have different kinds of funding coming in from different places and all confusing who owns what and essentially what needs to do in the future is get to a point where a) people understand what it does and also try and pull it all together – so put everything together or separate things away – so e.g. the National Film Theatre should be separated out and that whole process is a strategic process but needs to be aligned with a creative strategy.”

“I think it is interesting that audiences talk about very different things in terms of what they like about what we do – something to do with the family or it’s the only reason I’m still married because it gives us something to talk about after thirty years - whereas we like to talk about the quality of the art and it’s going to be very interesting trying to match those different things.”

“But I think that is exactly the point – a lot of people talk about different experiences but even within those different experiences you still need to be able to differentiate because we’re being bombarded constantly in the street with different things we can do if you go into London - it’s a nightmare what to choose. Which is again why the education of what it is that you do and what it is that’s important to people on the outside would be an interesting activity.”

“I think we have stretched brands because of the way our organisations are funded and managed. We have to do a lot of things in order to demonstrate value to the taxpayer and rather than, for example, selling books beautifully and then expanding out our product to selling music and doing that well, from a position of brand strength, I think we’ve got stretched brands and, with a few notable exceptions, they’re not necessarily stretched in the way you would want them to be stretched. I think a lot of it is about educating the organisations that we’re in about that focus and whether there is a best way of doing that – it is quite interesting when you talk about the BFI actually making a decision not to position themselves with particular sub-brands because I don’t think we have those conversations.”

“There is a good example with milk. You know milk is such a generic thing and if you buy milk in Tesco or if you buy it in a local corner shop it is actually not going to taste that different. But do you remember the Got Milk campaign? I remember seeing it and thinking this is quite extraordinary – who’s doing it? The Milk Board. Do they own milk? No, but what it did do was give incredible strength to the whole subject of milk and there are still sub-brands of milk. I’m not suggesting that you are all the same but you are all fighting the same kind of causes. I think to have something like a Got Milk campaign that is about championing you in the broad sense is probably not a bad thing and that, I guess, is what an overall umbrella brand would do.

If you think historically, there was a time when the BFI owned everything to do with film. Then it got regionalised and now they are trying to work to bring people back together again – not to take regional power away because they do not want to do that either because they would end up with a major institution that is completely out of touch with what is going on locally. It is finding the balance, but the process by which you do that is unique to every project – you can't just do Got Milk on the arts because it might not be relevant.”

“No matter how many products you've got your core values are still the same and I think that brand is about core values rather than about whether you do dance.”

“I work for a regional audience development agency and the people who go and visit the woman running a little craft shop in the middle of Somerset have very different motivations for doing that then from when they go and see something at the Bristol Old Vic and I really feel that there are those sorts of subdivisions. When we talk about the arts what we're often talking about is the subsidised arts and we're often talking about performing arts and there are just all sorts of boundaries and issues.”

“But that's the challenge, that's the project if you did it. Imagine a pharmaceutical company comes to us and says but actually we do healthcare as well, and we have also got nurses and do hospitals and education and environmental things and sponsorship and we've also got this petroleum company that is kind of linked to us and it's kind of like chemical and pharmaceutical. You think you will never find something but then eventually you come up with something like Beyond Petroleum that explains that British Petroleum is also more than just a petrochemical company.”

“How long would it take?”

“If you did this as an exercise I reckon it would take you three months on and off with meetings, brainstorming and a creative process. The thing about creativity is that somebody that is good at strategy is quite creative and somebody who is quite creative is actually quite good at being strategic – the creative process is instinctively strategic because it actually solves big problems that when you initially look at them you can't see the wood for the trees. Then there is a single idea that people say that's really simple but it does encapsulate what we're about.”

“Have you ever been in a situation where someone has come along and said I want to link all these things together in a brand and actually you've said, 'Why? You can't – it's just impossible'.”

“Yes. There was a big computer company called Tulip in Holland that came to us and asked us to change their identity. After the pitch we actually went back with a presentation saying that wasn't what they needed to do – there was nothing wrong with their logo or the way their brand looked. What was wrong was the way they communicated it so instead we suggested an advertising campaign. Quite often we rewrite briefs because a client comes to us with a particular problem and after a week of looking at it we say actually that's not your problem at all.”

“A question about St Kea – what has the reaction been from the Church of England?”

“Very positive. We haven’t really promoted it but actually we do have someone who wants to take it on and get it into Tesco’s and so on. Also at the moment is there is another church that wants to twin with St Kea and have the same stuff and the same identity, because there is no point in reinventing the wheel. And that might happen across the country. But just from a product point of view it would be great to have a database linked to Amazon for delivery because at the moment it comes by donkey from Cornwall - if you order a tissue box you get it a month later. It is all a bit plonky because it is the churchwardens cramming things into boxes at the same time as trying to do their job. But it was never supposed to be a commercial venture, just that in making it more available to people would be beneficial for the church in terms of getting the message out there.”

“If the churchgoing community can accept that, I think we’re quite guilty in the arts at times as being slightly reverent and treating the work as sacred. We’re terrified of blaspheming but maybe we shouldn’t be so nervous about the way we communicate.”

“I hope you don’t mind me saying so but there’s probably quite a lot of snobbery that goes on, like in design and advertising, and I don’t think that helps either. It is as though you’re not an artsy person so you’re not part of our club so you can’t come. Then there is all the stuff about what does and doesn’t make something art. For me I would have thought it is all about creativity and a creative experience but I could be wrong, as I don’t know enough about it. I made the point about the St Kea campaign that it was not a recruitment campaign, it was about re-engaging, and I think that may be the issue for the arts – it may not be a recruitment issue necessarily but about re-engaging people who you talk to anyway who just don’t listen and getting them to listen properly.”

“Is there not an issue about using the brand to promise something but then actually being able to deliver on it?”

“Yes, but I think that’s something that McDonalds grapple with and the Labour Party. If you go to Cornwall and you meet your Labour candidate who’s a complete twit what does that make you feel about that brand? Or vice versa? It’s a bit like teachers and maths. Some of you hate maths and some of you love it - not because of maths but because of the person who gave it to you. I think you can roll it out and it makes people internally start to think differently and, hopefully, start to behave differently as well. In St Kea some of the hard-core churchgoers started to soften and behave differently so I think branding can help you change.”

“Isn’t that an issue with creating superbrands? When it is a small, contained unit of an organisation you are able to instil that core brand and those values throughout it but the difficulty comes when you try to distil those core values among those on a larger scale. Where McDonalds falls down is that you

can go to one that is central and clean and tidy and perfect but if you go to one off the M1 and it's bad you start to lose your belief in the brand because your burger wasn't quite as fast etc."

"From a business point of view a lot of people would disagree with that because they'd say that pooling together and having a franchise makes a lot of sense as each person pays a small percentage against the total high percentage of benefit. I don't know what the answer is – I guess I'm in a position where I'm talking pro the arts needs to get together and do one brand but I still think that's a debate. Maybe you should split into four or eight categories and have four or eight bodies that represent the arts with a holding company at the top that brings it all together. All it is is bringing it up to date, like with St Kea, and about relevance. I guess with the arts it would be a case of bringing it to where it should be rather than trying to make it a super brand."

"And how long do you think it would last because it's not just about having the latest font is it? How do you instinctively know when something has lost its relevance?"

"Behaviour. Fonts and colour palettes are important for branding because they send a signal. You can create brands that are harmless: if you look at "niceday" in offices, it was done a long time ago – fifteen years or so - and people still use it and they don't look at it and think that looks like it is from 1985. IBM is another example: you don't look at their brand and think it is old because the attitude and behaviour has changed and they have changed the way they talk. So, if you create your skeleton, and you do it well, you can change the interiors. It is possible to use fashionable fonts for an organisation and in two years time it is out of date and that would be a mistake unless you are in the music industry because then it is here today, gone tomorrow and that is ok."

"One of the most interesting things about this is about behaviour. The main reason Labour re-branded and lost the red flag was that they felt they were irrelevant and the interesting thing to me is about all the internal stuff that rebranding can precipitate – we've actually got to rethink the way we do things."

"For instance if you're a dance company and your behaviour is you don't care about what people think, because you're just going to dance, so the leaflets you produce look like something from the tax office then the perception of you will be that you're like a tax office and that people don't want to turn up. But if it looks like something sexy they might turn up. So that sort of thing is important – design and graphics are important but it is not what makes a brand good or bad."

"Do we have a consensus as to whether this is desirable and if it could or ought to be progressed?"

"We need to start by exploring the idea before making a decision on whether we should do it or not."

"The McDonalds point I think is key – the inconsistency about the experience or the customer service – how do you guarantee the quality of anyone within the brand. Do you have a stamp?"

"You can have a kite mark standard and if people do not rise to the standard then they are dismissed."

“But performing art practitioners at the cutting edge now and again may have a show that just doesn’t come together. That doesn’t mean the next one isn’t going to be absolutely brilliant.”

“So maybe you have to use the milk model. If you get milk from your corner shop and it is sour do you suddenly think all milk is really bad? No, just that corner shop.”

“But I know people who experienced the arts for a first time and hated it. Why would you go again?”

“I think we are going down the wrong road – it is not about bad art but about customer service.”

“Also if you make the standard 120% then if it drops a bit it is ok, because things do go wrong.”

“Different customers have different perceptions of what quality is and what quality is not – we wouldn’t promote Riverdance to a Dance Theatre of Harlem audience or vice versa because that wouldn’t offer them the type of quality experience they’re seeking.”

“It depends what you’re expecting this Got Milk brand to do. It’s supposed to be something that combines things together and takes the high ground. It’s not about the detail. Therefore, it is not affected by bad details. It is just about making things more exciting.”

“This all leads back to Nick Baylis talking about the happiness factor of the collective experience, the joy in what we’re selling – and that is the position – and coming back to what Stephen was saying about expanding the pie for everyone. The Got Milk brand for the arts could well do that and the first step is that positioning should take us away from that debate about whether some art is better than other bits of art. Who cares – it’s the joy, the collective experience, the feeling the audience has whatever they feel at the end of the event.”

“Yes and I would personally not create an organisation. It has to be a campaigning idea because Got Milk is that, not a body of people, so that everyone can get on with what they do best.”

Summary

“A brand exists anyway, the issue is whether we choose to manage it or not.”

“As with regional brands, if we have too many we reach saturation point.”

“Audiences don’t care about the same things we do so we have to think carefully about the messages.”

“We need to create a panel or committee.”

“We need to work out what the common values are.”

“There is a challenge because there are so many diverse people working within the sector.”

Seminar: The theory of effective people management is all very well but how do you get accurate, honest feedback as to whether you are doing it all properly?

Professor David Clutterbuck, Writer & Consultant

This seminar started with a simple exercise. Everyone had to think of something they've wanted to learn for years like scuba diving or playing the harp and then had to try and find somebody who can either directly help them in that learning or who knows where to go. (Examples included astrology and learning Spanish)

“Did everyone find what they wanted? It wasn't that hard, was it? I have never known it to fail even though there is a small group of us. Even when I first did this exercise and somebody in a small group said they wanted to learn about traffic light management there was somebody on the other side of the room from the local council on the highways committee. It is quite uncanny the connectedness we all have. Two things come out of this. One is that if we can be more active in managing our networks we can be more efficient and secondly, once we have done this exercise, typically we have ratcheted up your level of commitment two or three notches because you have thought why am I not doing this? The fact that you know you can means it becomes easier and you have just changed the effort reward ratio.”

“I wondered whether what you were talking about presupposes that everybody in a team is good and working for good forces and that all traits in people's characters can be working to that aim if you can tap into what they need.”

“Well you don't necessarily need to be good for that to work, because if you get what you want then you will be motivated. So people aren't doing things out of any goodness of their hearts – they are doing it because there is a deal and they get something back. Very often people don't know what their needs are. What are the needs that drive you? And needs can change over time. The need for security might be very important at certain points. The need to be loved is an important thing for a lot of people but sometimes it can be greater than at other times. The more we understand our needs, and the more we can attach our performance goals and our learning goals to that, the more likely we are to achieve the things we want to. It is very often because you don't know the needs that you get problems.

Has anyone had a difficult situation or argument with a colleague? Or confrontation? Think about your motivations and their motivations. Of course, our immediate reaction is that their motivations were selfish and negative and wrong and ours were pure and good. Now can you honestly say that

your motivations were 100% pure and that you didn't have any motivations that you don't really want to admit to in that argument?"

"It doesn't feel like a very natural habit to assess that in a day-to-day situation. It's one of those things that a couple of years later you might think, well actually..."

"It is extremely difficult and one of the techniques around having difficult conversations is to think of your story and their story and to tell yourself both stories. Then look at the two and see if you can match them up. That's when you start to see that actually maybe there's a different ground that you can work to, but you do have to train yourself to do it."

"How do you facilitate someone working out their needs?"

"You get them to talk about them in depth. Some of the techniques are simple in concept but they require skill in the person doing it to actually listen to these things. There is one technique called Issues Managing and all it really consists of is just listening to a person for however long it takes – 10 minutes, 45 minutes and you look for the contradictions. So, in one particular case, this is a young Punjabi woman who is in her late twenties. She has a very, very strict home environment. It normally would have been expected that she would have been married years ago. At home she wears a sari, when she goes out with her friends she wears jeans and when she comes to the office she wears office clothes. There are three different personas that she has to move between and she finds it confusing and there are all sorts of conflicting issues relation to loyalty to her family, but her ambition to have a career, between the different cultures and her desire to break free but her fear of the consequences. You can start putting these things at the different end of a spectrum and the more that you do that the more you build up a picture of somebody's needs or circumstances. It is a very powerful technique."

"I can understand all that but I wonder, given we're talking about this in the work situation how far you can delve without being intrusive?"

"It depends on the individual."

"I've had this with individuals in the past who have had quite difficult home circumstances and actually haven't wanted to talk about it but have brought the baggage to work, so you have to deal with it even though they are not prepared to talk about it. When I have broached the subject I was told not to interfere in their personal life. Except that it has affected the way they worked and it affected me as their manager and that's a difficult thing to negotiate through."

"It is. There's a process we call circles of disclosure. You have a circle and here you say we need to talk about you and your work. This is the circle in which you feel comfortable talking, so let's put in here the things you feel comfortable with. Now when we get to other things, about your relationship with your significant other, for example, where do you feel that circle should go? Is it completely on the other side of the page or does it have an impact on the work, in which case we're going to talk

about it a little bit, so the circle overlaps slightly. Really what we're talking about is the stress that you're feeling and how that is having an impact on the work circle, so you negotiate that. Then you talk about other things that might be affecting work and what happens is, as you start talking at the margins, invariably the things that people don't want to talk about do come out if they've got somebody who will actually listen to them."

"Is it always best if that person is their line manager or is that one of those circumstances where having somebody external or HR is better? Because once you have resolved the day to day work issues relating to them and you've come to an agreement about what will make things practical surely it is hard to shrink the circle back down: once someone has told you something intimate it is very hard to put the relationship back to how it was before and you can almost go too far and then they know you know it and you know they know you know it and it can be quite hard to forget about it."

"It is a definite problem and I can't say that there is a right answer. I think if you are their line manager you want to be clear that you expand the boundaries only as far as you need in order to help them manage their performance. If you are someone external, more in the role of mentoring or coach, you would be willing to take it much further."

"So you need to be careful if you are their line manager about knowing when to stop."

"Well the circle is a consensual thing so you hold control as well and can say this is as far as I'm prepared to go. A good example is when someone wants to talk about their sex change as you can deal with the practical implications but you cannot deal with the emotional issues because you are not qualified, so don't even try. But people very often get caught up because they want to help."

"I wanted to ask an organisational thing in relation to people management and this is my real life example. Let's say I have my particular style of people management for my department but of our senior management team I am the only one that has that particular style, which tries to correlate with the sort of style you've been talking about, whereas my colleagues on the senior management team have a very different style. Where a lot of our people management issues arise is not from my relationship with my immediate team but from others' relationship with my immediate team. So it is more of an organisational conflict I suppose than a personal conflict."

"How does the senior management team work together?"

"Appallingly."

"Do they realise that?"

"Some of us do and some of us don't. But the leader of the organisation is in total denial about the fact that the senior management team is almost split in two – with different styles not just of people

management but of ethos, ideology and so on. So is there anything in there I can do other than argue until I'm blue in the face? Is there a more constructive way to tackle it?"

"If you can get them to agree to 360 degree appraisal and get real feedback or even employ opinion surveys that talk about the quality of leadership then you might be able to break through."

"We've done that and then they just don't believe it because it is the usual thing about attack the methodology rather than believing the message."

"You can try it through collective stories – what is the culture like in this place? And have somebody who comes in and says well this is the story that people tell. But they could still deny it. It comes from the top in the end and if the Chief Executive will not listen or open these issues up nobody else is going to."

"So as a senior manager in a situation like that, reporting to a Chief Executive who is in denial, what is my most constructive style as far as my team is concerned? What you want to do is say 'stupid bastard' but I feel that's not constructive. I'm torn in terms of how I sit in the middle if this conflict and what is the most constructive way to approach it."

"Is your Chief Executive actually aware of the active stress and damage that is going on in the organisation - are they aware of the repercussions of the denial?"

"I wouldn't use the word aware because I think you can make someone aware and then they still don't accept it. So he is aware but he doesn't accept it. I feel like I'm telling tales out of school but I suspect this is quite a common picture."

"Any answer I can give you has a sense of glibness about it because I don't know the situation but in similar circumstances that I have met before, the only thing you can do is to basically cocoon your staff from the organisation around them and protect them – that becomes your primary role to develop them."

"I feel as though that is what I do and it is incredibly exhausting spending your whole life like that."

"But there is a corporate governance issue - there are the trustees aren't there? The trustees have a responsibility both in law and morally to look after the interests of the employees and the organisation. If nobody is speaking to the trustees about this then it becomes important that that happens."

"They have, but I suppose it is difficult when it is one of those intangible culture things rather than a systems thing and it's how you actually start to get the changes of culture you were talking about earlier on. Maybe it's because we're marketers and used to shorter timelines but I think it's unbelievable it should take ten years to change the culture of an organisation and I'm sitting here thinking do I want to sit there through all that? Are there recognised methodologies that can force organisations to address these things more sharply?"

“I have to give you a very pessimistic answer that is there is no case of which I’m aware of significant culture changing in an organisation where they didn’t change the people. Full stop. You look at a classic example of Richard Branson and Virgin. The biggest mistake he and Virgin ever made was to take on a chunk of British Rail. Because the people that worked there were totally the opposite in terms of personality, culture and everything else to the kind of organisation he wanted to operate. Most of the problems you see – obviously a lot are to do with railtrack rather than the operators – but you cannot simply change people’s personalities. If you’ve got thirty years – some of the people you can change with a lot of effort but some of the people you just will not change because they have no driving need to behave differently. So, your capacity to make real change happen - you have to start that from the top. And if you make too many waves you become seen as the problem rather than them. So this is awfully pessimistic but you choose the environment in which you work and organisations that get into deep problems tend to be characterised by an exodus over the years of all the people that have got the initiative.”

“One of the things I wanted to ask you was connected to that idea about values. You said something about a track record is less important in a hiring decision than values. I think I understand the essence of what you’re saying but one of the things that concerns me about that is that perhaps there is a fine line between choosing to recruit somebody because of what you perceive to be a values fit and then recruiting someone because they are just like you and they view the world the same way as you. In other words, under the guise of going for the values bit how do you avoid ignoring any diversity in its broadest sense and ending up with an organisation of clones?”

“It comes down to having real clarity about what those values are. If you are vague about it then you will get clones. If you are very specific and say we are looking for people who have these qualities and this is how we measure them, then you are likely to avoid the problems. But you have to be very specific about what those qualities are. And they need to be ‘a passionate belief or interest in...’ The Body Shop for all its faults is an interesting organisation because it hires people who are like the customers. That makes a lot of sense because there is a continuity of values from the management to the employees to the customers. My local theatre is in Windsor and one of the things I like about it is that you know that the staff members are there because they enjoy the plays and the entertainments that take place inside the theatre. They are actually sharing in the values of the audience really. I don’t know any more about them than that but you can see that by the way they interact with the customers. That is then part of the reason for feeling this is a good place to come to, whereas I can think of another theatre not too far away where exactly the opposite is true - where any old person turns up and gets a job and it’s not got the same atmosphere.”

“Is there such a thing as a happy organisation? I presume you only get drafted in when organisations have got problems or are about to have problems, but are there examples of organisations out there that we should be emulating?”

“I’m not even sure the first assumption is right. I think very often that organisations with real problems are the last people you want me anywhere near because I’m sure that if the suggestion was made to your Chief Executive (the one identified earlier in this seminar) that I came in and looked at the operation and gave a report and advice, it is the last thing that he would want.”

“You’re right actually – that’s interesting.”

“And that’s my experience frequently that actually it is the organisations that have got their act together and some clarity about what they want to achieve that recognise some particular skill that I can bring, but not the duff ones I’m afraid.”

“So who’s good at this? Who should we be emulating?”

“I think the interesting thing is to look at *The Times* 100 best companies to work for and to look at it with a large pinch of salt, because almost all of those companies the staff say I go home knackered at night and I work too long and the company demands too much but nonetheless it is a great place to work because it is stimulating and challenging. That is the common thread that runs through these – they do more because the work is fascinating and they enjoy it as opposed to they do more because someone keeps shovelling it onto them.”

“All respect to Asda because I know Asda comes out quite a lot in these things but do people really find stacking shelves fascinating?”

“But this is the fizz and the buzz: they make it more about the association with other people and the atmosphere, because it is a pretty boring job. But look at the retention facts: if your people stay half as long again working on the checkout as the average for the store down the road there is a value to that and you must be doing something right. I was involved with developing the Asda store communications processes. What we did there was get them to think about how do you want to communicate and what makes you feel you’re valued and well informed. So we got the staff in stores to tell us that and then we put the structures in place to make that work. Then we got the staff to go out to all the other stores to tell them how to do it, so instead of us going round running lots of programmes and training everything was done by the staff. Now what it comes down to is demonstrating you respect and value them and so it is back to that psychological contract. And nobody is ever going to get it 100% right but you get it as best as you can and people are very forgiving – it is when they perceive they’ve been shafted time and again that you have lost them.”

“Does it also come back to what you were saying earlier about understanding what’s motivating the individual? I guess most of us are motivated by wanting to have challenging jobs but actually you

might want to work in Asda because you want something that will pay the bills and fit in with your work hours and if they can deliver that which meets your needs then that's going to work."

"Well there were some students working on the tills and we would say we know you're very bright, so why are you doing this dreadful job? The answer was, quite simply, I'm using my brain all day so I can do this or I can work in a pub and you know working in a pub is ok but it is hard work and I hate the smoke whereas this suits me – I can be mindless for two or three hours in an evening and earn some money and that is what I want. So, that seems like a pretty good deal to me. It's finding that values exchange that's important. One of the large children's charities has a big warehouse in which they stock up stuff and the thing that struck me there was the people who were volunteers were all people who had ordinary jobs like solicitors or accountants. But what they were doing there was sorting clothes, books and supplies: they didn't want to be doing what they were doing in the daytime.

We all need to satisfy our six different life streaks. We all have two life streaks above the line – 'your job' and 'your career'. Your job is what you do now, and your career is what you want to do in the future, which may be connected to your job but may be something totally different. For example, you may not want to be doing the role you're doing now, you may be wanting to do something totally different like run a marriage guidance bureau or open a bookshop or run a pub. So these two are generally separate. Then you've got 'family and domestic' and that is about the relationships you have with the people who are closest and most important to you. Then you have 'health and fitness'. What do you do to keep yourself in a reasonable degree of fitness? Then you've got 'intellectual self-fulfilment'. What is it that you do that stretches your mind and keeps it active outside of work? The last one is 'community or spiritual' and that's where you put something back. These life streaks are common to all of us and all of the research shows that people who focus on the two above the line pretty much exclusively suffer more stress and when things go wrong in these they burn out more quickly because they haven't got the emotional capital below the line. What we've been teaching people to do is to manage more control over their lives by setting themselves goals in all six areas: 'how am I going to improve my performance in my current job?' 'What I am doing to prepare myself for the next job I want to do?' 'What am I doing to improve the quality of my domestic life and friendships?' I find that last one a tough one, but every two years I disappear with my three eldest sons and we go and climb some mountains somewhere. For health and fitness I learn a new sport every year and some I keep up and some I don't – I think the most interesting one was freefall parachuting from a helicopter. Then I do an enormous amount of reading and with community and spiritual there's a charity I chair and so on and so forth. So there are all sorts of things you can do but you can develop your own personal plan for how you're going to grow and it just makes people feel more rounded. It is also better for self-esteem because if for some reason you're not succeeding in one of the boxes as well as you want to you may be succeeding in one of the others. So if I have a rotten

day and something has gone wrong at work but I have a fantastic day on the ice rink and manage to get a particular move that I haven't been able to do before then I feel good – I've balanced it out whereas if all we do is go home and watch the television then you haven't got that balance."

"It's quite interesting to see that list because I know lots of people myself who seem to set these instinctive targets with various parts of it but seeing it laid out like that planning it seems like another step forward."

"I do a week at the beginning of the week that has all those aspects and I've been doing that for about two years and as soon as I started to do it I felt better about my job because I could see on my list the things that were important that I had never actually written down before and instead of writing down a long list of things to do I was writing down time to spend doing something positive or phoning my mother."

"Did you get a sense of progress in those other four areas as well?"

"Yes I set myself little goals – that's why I found it quite hard at the beginning of the session when you said think of something you'd like to do you haven't done yet because actually I do that all the time."

"It really is amazing how much you can accomplish if you set yourself these short-term goals and believe me I'm not perfect – I've got all sorts of things I don't do and I don't pretend to be a model for any of this. But the process is there and I do try and follow the process as much as I can."

"I'm just musing over the amount of time that one spends particularly doing job versus career and certainly with the other four I'm wondering, if we developed a shorter working week – be it working time directive or what – do you think that would make a difference or do you think people have now got into such a habit that they will need to be re-educated and have a list like this that they checked every week?"

"I don't know. I think you could argue it both ways and there is no evidence surrounding it. I know that next Monday we have a bank holiday and I will split that day between doing some academic work and doing things around the house and garden that I have been meaning to get round to. I suspect we all respond differently but there is no evidence that shorter working week regulations have led to much positive change."

"I was talking to someone yesterday and they were saying that they didn't really mind when their staff worked as long as they did more than their core hours. I think that is interesting because I prefer to try and measure things by achievement of tasks rather than the number of hours I sit at my desk."

"Absolutely. If you've got a list of things and you've done them all then you can pat yourself on the back and say that's it. I've got a lot of things to do on the train tonight and once I've done those I'm

not going to try and do any more: I've got other things on my to do list but they're not urgent and not for today so I will stop and read the paper or whatever. I was very proud of myself that I did not take the computer on holiday last year. We tend to feel guilty. We tend to feel guilty about all the things we're not doing at home, about how we've neglected the kids and our mother and I haven't rung so and so for a while and then we feel guilty about all the things we've not done at work and we actually feel doubly guilty because it gets worse and worse. We need to allow ourselves to stop feeling guilty. There's a wonderful acronym about switching off and doing what you want to do called SODIT – Seize the opportunity and Do It Today.”

“I was just wondering about the psychological contract. Are you suggesting this should be used individually to help your staff?”

“I think this is an individual thing but the organisation should be aware that people have these life streaks and the organisation should legitimise the fact that you do have these other pulls on your time. If an organisation is preventing you from engaging in these other life streaks then there is something wrong. I know in one financial services company they had a value statement that had work-life balance in the value statement but what they expected was people to work fourteen hours a day and if there was an emergent project and you were going to a friend's wedding then you would be told that unfortunately you couldn't go because you've got to deal with this client. And people were rebelling against it. It was ok when the psychological contract was fine five years ago. Then it said that you join this organisation when you're 21 and you will work all the hours and not have a social life but you have loads of money for status things like fast cars and when you get to 35 you retire and are rich and never have to work again unless you want to and then you can do all those things like have a family, get fit again and all those things you never did before. Lots of people were willing to sign on for that. But suddenly when the money is not there anymore, and for most people working in the City that's been the case for the last three or four years, the psychological contract has gone out of the window. And what they're finding is they're having great difficulty recruiting the quality people they want.”

“I think there is a problem in the arts field with a lot of the people who rise to the very top with their behaviour as role models, so people are working not just fourteen hours a day but the entire time and that sends down a message to almost everyone else in the organisation. I think that's a problem that you see your Chief Executive working under tremendous strain and then it is somehow expected right down to the receptionist.”

“But I came across another organisation recently where they had three frantic periods each year and the staff were expected to work all the hours and do the frantic period and then get ready for the next one. In between the two the Chief Executive always used to go on holiday every year and nobody else was allowed to because they had to get all this stuff done. The Chief Executive did because it was

Easter and he saw his family and said ‘Well I’m heading the organisation - I’ve got to be bright and fresh and ready for the next season’. The staff members were incandescent about it.”

“You talked about some of the organisations you’d looked at where the internal communication wasn’t the reason why an organisation failed or not and but where it was about the values exchange. Do you have any examples?”

“None of them wanted us to publish their names but I can expand on what I was saying to the extent that you have to recognise that, especially in larger organisations, only a very small amount of communication is actually controlled by anybody at the centre - less than 3% in a typical large organisation. All the rest is just ad hoc and there are two rules of communication – top management has got to be at the centre of it and be the people who set the tone for the communication and provide the role models, but equally you’ve got to have something that enables dialogue. You would think that people would be good at talking to each other but it’s not my experience. People don’t have the skills for real dialogue. Real dialogue means being very open in the discussion and real listening - trying to understand the other person's perspective and trying to use the conversations that you have with other people as a means of learning all the time and developing something, as opposed to reading a list of instructions. We tend to be trapped into conversations which are either superficial or transactional and very often we just ignore things we ought to think about in an organisation and the relationships where just saying things to people is quite difficult. There is a classic example of an academic doing a speech for an hour, with a half hour break, and then another hour. In the break she went to the Ladies and when she came back on stage she’d got her dress tucked into the back of her knickers and it wasn’t until she went off stage that she realised because nobody had said a thing. Nobody dared because the critical friend bit was just too difficult to manage. Our organisations are riddled with this kind of behaviour. Nobody says to your Chief Executive (the one previously mentioned in the seminar), ‘Look you’re a pratt and you’re damaging this organisation so what are you going to do about it?’ Because nobody dares and my guess is from what you’ve told me that the trustees haven’t got the balls either.”

“Are you recommending it?”

“No – only if you’ve got another job lined up.”

“You are absolutely right.”

“That’s often why people bring people into organisations to say these unpalatable things whereas if you can develop a culture in the organisation where it is ok to say these things and have this confrontation you have the potential to be creative and effective. But most organisations don’t have that and I guess for you the search is who is going to tell your Chief Executive the truth.”

Seminar: In the arts, what are the barriers to adopting co-opetition as a practice and how do we tear them down?

Stephen Cashman, Consultant

“I think the problem is it is not necessarily logical or to do with what gives them their best chance.”

“I think you’re right and what it comes down to is what people’s definition of best is. One of the biggest barriers to this is convincing people that it is to do with the greatest good and it is worth collaborating, sharing data etc. and throwing away that short-sighted notion of they’re not having my names and addresses. I don’t think intrinsic logic has a lot to do with it but I think that the way the process works is undervalued. I think it is also interesting in that I think it provides hard evidence and sometimes it is hard to convince people would be good to work together – not because we like to but because. I think one of the challenges is taking that matrix out and applying it to an arts setting.”

“So we need to test it.”

“It could be interesting to do - in terms of audience development, perhaps for customer acquisition more than for retention. Looking at audience behaviour in London there are some examples – like the Royal Opera House and English National Opera have very little crossover even when one is doing promotions to the other’s audience. Yet the demographic is identical and there is no convenience issue as they are so close so that there is something quite psychological about the choice of venue as well.”

“I think there are two issues – one relates to what I’ve been talking about and that is horses for courses and in terms of thinking about retention, but I also believe that issue about the impact of discounted pricing is going to become a hot topic. Yet I don’t think it is about price: I think it is about other things - it is about what value people attach to the experience and value is not just about money but about self-image, status, etc.”

“So are we going to have an action point about applying that in an arts setting and maybe coming up with an arts version?”

“I think that would be good because then you don’t even need to go through the principles when you do it as an individual venue – it would give you a way of starting.”

“What units would we use on the matrix? Would it be number of people coming or number of new people?”

“I’m thinking of the audience builder where it really needs just taking that a little step further.”

“Audience builder is frequency and risk.”

“Maybe all sorts of considerations would work.”

“In terms of the matrix, the two different columns are about choices so if they are the organisation’s choices, one has to be cooperation and one has to be non-cooperation. I guess non-cooperation is the status quo and they know the outcome of that. With the other they don’t know the benefits or the costs.”

“Yes but you need that analysis to identify whether they are more frequent attenders and you need the crossover as a starting point. So, for example, you need your four venues and a historic year to say this is where we start from and then in twelve months we will do the analysis again.”

“What about this issue of it is all about managing a change in mindset? What would be most convincing to colleagues in terms of why we should collaborate?”

“If I went back and told my marketing manger to do this, he wouldn’t, but would ask, ‘Why should I?’”

“People don’t want their jobs on the line but we need the willingness in the organisations.”

“But I think there is also a half measure in terms of thinking about databases – it doesn’t have to be all or nothing when you’re sharing. One of the things that I was chatting with Purple Seven about was identify back to organisations which customers on their database were unique to them and which of them were attending which other art forms elsewhere (without specifying the other venues). So, maybe if you identify those attenders that aren’t unique to a venue, once that venue has had a chance to develop them on their own then if they have not been tempted back (and you can’t keep mailing forever) then maybe those people could be submitted to an infrequent pool that is too expensive for everyone to develop individually but that could be looked at collaboratively.”

“This is a basic marketing problem isn’t it? It’s about selling the benefits rather than the features. And so what you flag up, as a benefit to the organisation is the nature of the data.”

“I guess the benefit is that you have access to more prospects and better prospects than, for example, buying a list from Experian.”

“And it costs less, which also implies the need to do a cost benefit analysis.”

“But at the moment we’re talking very much about data and people’s databases and what they do with it but maybe it is easier to imagine a collaborative campaign about saying how marvellous it is going to the opera.”

“It doesn’t feel like the first time that we’ve heard that there is a pool of frequent attenders, but alongside that, with the Nick Baylis stuff, there is maybe a case for a generic approach to marketing the arts – something about pulling these things together, nurturing that pool and growing it.”

“I don’t know – I’m sure it isn’t the first time we’ve heard it, but if we have heard it before why isn’t it sticking? Short memories? Lack of comprehension? Lack of relevance? Different people in different jobs so we need to repeat it on a regular basis?”

“I guess that it is not the priority that people are given when they get back to their desks, which is about how many tickets are sold for tonight and do I have a leaflet and poster that looks good?”

“Which is an interesting version of the strategic versus the tactical conundrum. Why are we so obsessed with doing tactical things?”

“But co-ordinating venues to work together is something that has to be led from the agencies because they are set up to do it and to avoid competition from a venue leading on it.”

“Trust is quite low – because of our notions of competition.”

“But does the thing have to be done on a similar product basis or could it be done between similar sorts of venues? It is probably easier when the product is defined but harder if it is just venues in this neck of the woods.”

“But you could group them. We know that the programming of dance, for example, is influenced by the quantity of dance in your programme but also if you only programme it twice a season you are not going to build a dance audience: the evidence is you have to programme enough of it. So the more you could group the dance programme in a city, pulling those together in a piece of print that sold the dance programme, might have real benefits.”

“Something I really want to look at is, within London, pretty much all of the promotions are co-promotions. I want to look at venues where Dance Umbrella events take place and whether the audience overlap or retention is better within events that come under Dance Umbrella than they are for the events that are not Dance Umbrella.”

“And that suggests something about branding the collaboration as well. So you’ve got to understand that it is an umbrella that has been created.”

“We need to test the theory. I think what I was suggesting is to condense it for organisations by doing a full cost/benefit analysis that would tell you what you would actually get from collaborating.”

“Managing the change of the culture in organisations and the strategic versus the tactical is essential.”

“We also need an approach to recognising and nurturing the collaboration – generic print and a generic approach especially in cities where there are obvious groupings.”

“That other point about the thing on Tyneside is that it wouldn’t have happened if we weren’t talking to each other anyway. We need communication to have identified the fact that the overlap was there.”

“We’re thinking about collaboration outside the organisation, but if you’re an arts centre and you’ve actually got different strands of programme is there an approach internally to actually crossover between the art-forms or between the departments? We’re analysing that at the moment because we do know that the risk takers cross over artforms but they are probably only a couple of hundred people so if they are your best targets then they get bombarded.”

“Where does collaboration stop and partnership start? They are on same continuum but can be qualitatively different.”

“It occurs to me one of this issues is how you view the success of the organisation. If you are generally getting good houses why would you bother?”

“But that comes down to that notion of what common good is – you’re doing it for the benefit of the whole country maybe or the community, not just your organisation.”

“Yes and that’s about the culture change, but again it comes back to, ‘Why should we because it might actually jeopardise our success?’ It is being complacent to a certain extent, but also there is that nature of the programming becoming more popular and taking fewer risks now. I don’t think there is that amount of great dance out there because it has got a bit sanitised.”

“But as an Artistic Director what about a programming collaboration? Would you programme differently. Or would you want to remain distinctive?”

Plenary

Two volunteers were asked how their thinking on competition has evolved or been challenged over the last 24 hours.

[Beth Aplin]: “I have decided to challenge the brief as my thoughts about competitiveness haven’t necessarily changed very much at all. But I’ve been bowled over by Nick Baylis and David Clutterbuck and a couple of comments they made that have really made me think – the comment that we are poor judges of what makes us happy is an amazingly profound statement, and explains so much, and the point that success is achieving what you value and that everyone values different things. I think if I had understood that when I was managing lots of people then my life and their lives would have been a lot easier. I love the idea of upside down mentoring – I’m going to suggest that to some people and then run away. I also had not truly considered the notion of how quickly people can change: you always think it will take years and a new generation but we were given great examples of big change in terms of smoking and drink driving. This is surprising and encouraging, and potentially also quite challenging that we have to deal with that pace of change. I also liked the concept of social capital, and the arts being an excellent way of achieving that, so my final thought is that ‘am dram’ is clearly the answer.”

[Rita Mulvey]: “From personal experience I think that the arts do see themselves as in competition – when we were new kids on the block in Manchester there was not a spirit of collaboration. What I find exciting in the arts at the minute, particularly with Purple Seven coming online, is that we have demonstrated that you can create a bigger pie by adding more into the pot. There is more of a willingness to collaborate, but a lot of that willingness is within the marketers and I actually think we’re talking to the converted while there is not a lot of collaboration within the culture of organisations. Between Purple Seven and the regional audience development agencies I think we have a great way to champion collaborative projects from Chief Executives down, so I think we are looking at quite exciting times. I am also excited that we touched on exploring a brand for the arts as I am a big believer in brands and you do already have a brand for the arts – people do have a perception of whether they like or dislike the arts and I think that brand does need managing, if not repositioning potentially.”

[At this point Ivan Wadeson outlined the recommendations or observations from the seminars].

How can we use positive psychology in the arts to stay ahead of the game?

“We need tools for advocacy for the idea of the science of well-being – the point that there is only one lecturer in the whole of the U.K.”

“Develop the book club model for the arts – it is not necessarily about the book but about the group of people getting together to discuss it.”

“Undertake local press campaigns about well-being.”

“Ensure there is a bottom-up inclusive model for involvement, so it is not patronising, involving local people and communities.”

“Research – we need the evidence, particularly feeding back to idea of advocacy.”

What role could the arts play in combating apathy and disenfranchisement?

“Get the New Economics Foundation to research the role of trust in the arts.”

“Find out why people attend the arts – to be part of a collective, for a better experience or for authenticity in a plastic world.”

“In terms of combating apathy or lack of knowledge, how do we find a language to describe the arts experience?”

“How do we develop the role of the arts to make it personally relevant to the lives of individuals?”

“We need to tell the *right* stories to inspire people.”

What can arts organisations learn from the commercial sector in order to become more competitive?

“The pub sector has no data on customers but uses landlord knowledge to define the catchment and then match that to MOSAIC. From that they analyse the potential audience and that influences branding and product. They have no data capture but they analyse their audience - museums and galleries take note!”

“As the demographic of catchment areas changes the pub trade doesn’t just alter their promotion but also their positioning and product.”

Box office data shows that 70% of customers only go to one venue. How does this impact on our notions of competition, our audience development objectives and how we allocate our resources?

“Competition, in the sense of more people providing the same or a similar thing, can drive up quality and increase customer numbers *e.g.* when you have clusters of restaurants.”

“Audience development needs to focus on building loyalty *not* on generating new audiences.”

“It’s the frequency, stupid!”

“We need to measure audience over the longer term, not just the last three years, to get an accurate picture of retention.”

How can we build a single brand for the arts?

“A single brand for the arts is desirable: we already have a brand so we have no choice - we have to manage it so that it is good rather than bad.”

“How can we encompass such a range of experiences? Well the BBC does it.”

“How can we get agreement? If the church congregation can manage it so can we.”

“Milk is generic – it doesn’t belong to a single organisation and yet the Got Milk campaign was very successful.”

“How could we decide what the common core values are? We need a panel and it would take three months.”

“But audiences don’t think about the same things we do and we’d have to create a common minimum standard and a quality assurance kite mark for the product surround.”

“We have to differentiate from other experiences that make us feel good.”

How should the arts extend their core products to get ahead of the game?

“We need to take a proactive approach to change and look at it positively.”

“We need to create new opportunities for people to sample the arts through new formats, timings etc”

“We need to look at building relationships and partnerships with other businesses, partners like Classic FM and other arts organisations.”

In the arts what are the barriers to adopting co-opetition as a practice and how do we tear the down?

“Test game theory on arts organisation – get a group led by one of the agencies.”

“Do a cost benefit analysis.”

“Nurture the pool of frequent attenders that move between venues (through generic branding?)”

“We need to manage change in our organisations so our colleagues know why they should be collaborating and how their practice needs to change – it’s about changing the culture.”

I have tried to absorb some of this and rationalise it and what I came up with was a three ring circus, and that the three areas we should be looking at are:

- Internal measures – Getting our house(s) in order;
- Positioning – Arts and the real world;
- Markets – Whose pie is it anyway?

Internal measures

- There is an issue about the mindset in the arts. I was taken in the debate when Felix Cross talked about subsidy and thinking about it as investment and tracking what it achieves. I wonder if we stop thinking of it as subsidy and start thinking of it as an investment and catalyst, and if we could measure monitor and evaluate what it delivers, whether that would help to change the mindset and prove what that subsidy is doing. It would also strengthen our relationship with funders and if the information was put into the public domain it could become a powerful tool.
- In terms of getting our house(s) in order we need to look at the confidence and self-esteem of our staff. We need to identify what they value and engage with them in trying to achieve that.
- There is also an issue around the confidence and self-esteem of the sector – the arts innovate and are doing great work. We have to recognise that we do change people’s lives and touch people but that we can also change ourselves. There are lots of examples of reinvention and maintaining relevance, but I think we also have to acknowledge that is not consistent across the sector.

- I was struck by the TGI figure about falling cinema attendances and I wonder, especially thinking of Hollywood, if the problem is that cinema has become formulaic whereas the arts can reinvent and do something different every time.
- We need to redefine the notion of competition in our organisations - it needs changing and broadening out.
- We also need to get the product right for the right markets. That sounds so simple but I think it is a huge challenge, along with telling the right stories to the right people about being relevant. I think it would be a fantastic challenge for artistic directors, curators and so on to give them a profile of the audience (particularly those who don't come) and challenge them to think about what their real interests are and get them to put together programmes or collections with ways of engaging people and responding to their needs.

Positioning and branding

- Partnerships/"We're all culture now": I thought a lot of what would come out of today would be about cooperation and we'd be talking about partnerships and sport and tourism and needing to work together. Sport has a lot of the same pressures, with funding issues and targets, as the arts. So, aren't there ways of working together? In the last year or two I've been thinking about how the arts deliver economic impact, regeneration tourism and mental health but in the last 24 hours I've been thinking that those are also other people's agendas and what about us?
- Identity on our terms: Perhaps there is an issue about the identity of the arts on our terms. I have recently been against art for art's sake but I am coming back to it, as long as it is not in an ivory tower but in the real world. Is there also a way we can create a notion of the arts as a public good? As well as the quality of the art, it is also about the quality of the experience. I'm still thinking about Botticelli in a cow shed.
- All this would lead to a new contract with the public: Going to a concert, performance or gallery is a communal activity and this fits in with the notion of social capital. Also, all our art forms are about storytelling, shared histories and we are probably telling the right stories - it is just the way in which we match them up with people.
- We should also explore the idea that there is a lack of trust in certain institutions. Is there a way we can have that trust because we are passionate, genuine and authentic in this plastic world?

- Let's explore the book club and youth group model of engagement instead of the "friends of" model. So instead of focusing on the narrow niche of people with real interest in the art form we should think about other ways that people can come together around the art, through a social activity or something about learning and personal development.
- How can we develop participation and engagement in terms of the way in which we involve communities in helping to run arts organisations?

Markets

- What seems to have come out of the symposium is that we are not generally competing with ourselves - or if we are it is for a small sector of the market.
- Our prime concern should be retention, particularly of single time attenders, and so I also worry about the other factors that influence those single time attenders: they come and sample the arts and maybe do not come back for three years, but what shapes their view of the arts in the meantime? Media, peers, formal education, politicians and policy. So, how do we influence those areas to ensure people have trust in us, understand us and come back?
- Finally, perhaps there is a new way of defining our markets - not by frequency or value or socio-economic profile but what came out, and I think Classic FM has done this, was looking at what people's level of interest and desire to interact is, and then characterising them on their terms and what they get out of it. We also need to understand the full range of their cultural activities – just because someone has only been to the theatre once does not mean they don't have a cultural life: whether it is books, gardening etc., we need to understand them and to start to work that in to how we communicate and profile them.

Floor Discussion

"I'm interested in a number of things that have come up several times and often quite unbidden. We seem to be getting more concerned with the idea of the social nature of interaction with a lot of arts and it seems to me this is an area which has a great deal of potential for development."

“I thought from the sessions that marketers in the arts must be cursed. You’ve got two problems – the first is that the vast majority of customers come to a venue once a year or less at the same time as the fact that art is good for you because it feeds your brain and makes you happy.”

“There is something in the idea about single time attenders - on the one hand it is scary but we should also celebrate the fact that we are reaching more people than we probably thought. Some of the data work in Manchester and Liverpool found that one in five of the attenders at performing arts venues are blue-collar owners.”

“And we are getting all these new first time attenders every year. There was a time in the mid 1990s when the orchestras were trying to get people to bring children to attend. That hasn’t really worked but it seems that people get to forty-five and suddenly get into it. It keeps happening, and new people are turning forty-five all the time.”

“So, ‘this house believes the subsidised arts are not doing enough to remain competitive in an ever changing society.’ Did we get the question right?”

“I would change it to ‘what more could the subsidised arts do to remain competitive in an ever changing society?’”

“Notwithstanding yesterday’s result I’d say that is a question to which the answer has always to be ‘no’ because it can never be enough, because of course we could always be doing more.”

“The question does predispose that we’re actually being competitive now.”

“So is competition still the frame we should be looking at?”

“My point might be to ask, ‘Are you fighting the right battles, competing on the right basis and with the right alternatives?’”

“One thing we haven’t talked about much is about what we are competing against. I guess we have made an assumption that it is against one another, or for leisure time, or against sport etc., but really a lot of what we are competing against is apathy.”

“There is also a degree of competing against ourselves that is shooting ourselves in the foot in terms of the way we view markets.”

“I would like to take the word ‘subsidised’ out of the motion because I don’t think our customers make any distinction at all – it means a lot to us but I don’t think it means anything to them.”

“It’s interesting that when we’ve been talking about whether or not we’re being competitive it has almost exclusively been in terms of positioning: I don’t recall that the question of price has arisen at all, whereas ten years ago we would probably have been talking about nothing but price and whether or not we can compete for price.”

“I think that is because price, we now know, is only one element of competitor analysis.”

At this point the vote was rerun, although it was noted that not all the delegates were present. This time the motion was carried, although only about three people admitted to changing their vote from the previous day.

“But obviously all the people who thought the arts were doing enough felt they could just go home.”

Biographies - Speakers & Debate Teams

Marksteen Adamson

Marksteen has become highly regarded within the branding industry during his fifteen-year career. With a reputation for being an inspiring creative strategist he has written articles on the subject of corporate and brand identity, including the most recent *No Mojo* feature published in *Graphics International*. He has also lectured on the subject of idea-based identity in colleges, including *How to have an idea without even consciously thinking about it* and *Standing in, but thinking outside the box*. He and/or his work has appeared on television – in a Channel 4 documentary following his rebranding of a state school; *Richard & Judy* (showing the branding work on St Kea); on ITV News and BBC 24 news on rebranding Estonia.

As a member of the Interbrand Group Global Steering Committee, Marksteen played a significant role in elevating the level of creativity across the worldwide organisation, where as global creative director he created and directed numerous identity programmes. These included, ‘Welcome to Estonia’, a unique brand identity project commissioned by the Estonian Government; the award winning brand identity programme for the merger between Coopers & Lybrand and Price Waterhouse, PricewaterhouseCoopers; and the merger between Pharmacia and Upjohn Pharmaceuticals which won several gold awards, including two gold awards for Marksteen’s own photography on the project, and the award winning ‘Niceday’ brand identity programme for WH Smith.

Dr Nick Baylis

Dr Nick Baylis lectures in positive psychology at Cambridge University. He is the U.K.’s only lecturer in this new field. He also writes a weekly column, Dr FeelGood on the Science of Happiness, for *The Times Magazine* (circulation 1 million). Nick holds a PhD in psychology from Cambridge University and is a qualified and practising therapist and coach. He also holds the University of East Anglia (UEA) MA in creative writing taught by Bradbury and Tremain (1993), and is a screenwriting graduate of the National Film and Television School (NFTS) (1994). He is co-editor of *Advances in The Science of Well-Being* (OxfordUP, 2005) with an introduction by 2002 nobel laureate, Daniel Kahneman, a psychologist who won the prize in Economics largely for demonstrating that people don’t think as logically or accurately as we too often presume. In 2000, Nick set up a project to research *How to Achieve your Goals, and How to Enjoy the Journey* (www.YoungLivesUK.com). Sponsored by Nike, Reuters, Channel4 and Sony PlayStation, he interviewed hundreds of extremely accomplished men and women aged 18 to 80. Before this, he founded a charity called Trail-Blazers

(www.trail-blazers.org.uk) to offer job training and mentorship in Feltham Young Offender Prison. Now a model for good practice, the former HM Chief Inspector for Prisons is its patron.

Stephen Cashman

Stephen Cashman is an independent arts management consultant and trainer who specialises in working with arts and cultural organisations on issues relating to strategic management, strategic marketing, systems thinking, future-casting and the management of change. Stephen is a music graduate of York University and also holds an MBA awarded by Durham Business School. He has worked for organisations such as the Royal Opera House, the Philharmonia, Northern Sinfonia and his last ‘proper job’ saw him working as Chief Executive of Developing Audiences in the North – the then audience development agency for the Northern region of England.

As a lecturer and management trainer Stephen has been a senior lecturer in arts management at the University of Northumbria, was director of the Theatrical Management Association’s (TMA) strategic marketing course at New Lanark, and has contributed to both the TMA’s Druidstone and Dunalastair ‘Essentials of Marketing’ course. *Thinking BIG!* – his guide to strategic marketing for arts and cultural organisations – was commissioned by Arts Council England and published last year by the Arts Marketing Association (AMA). Stephen is currently working as consultant director of organisational development for the Tees Dance Initiative, and as director of communications for the Network of Audience Development Agencies.

Professor David Clutterbuck

Professor David Clutterbuck has been a leading writer and thinker on HR issues for thirty years. His early career involved ten years as a senior journalist and finally editor of *International Management*. While there he wrote his first of many books on HR and strategy topics - he has since written more than 40 publications. Best known as the leading international authority on mentoring, David has also been highly influential in developing best practice in empowerment, HR strategy, team working and employee communication. He runs the chartered institute of personnel and development (CIPD) course, marketing the HR Function, and has led numerous research projects in to HR good practice, including the recent design of the Developer of People Standards.

David speaks and consults globally and is visiting Professor at Sheffield Hallam University and an occasional lecturer at many leading business schools. Much of David's work is focused on the human dimension of world-class business performance. He has a remarkable ability to integrate ideas, trends

and to involve and engage audiences in radical thinking. He asks difficult questions and creates the framework with which people can find their own answers.

Felix Cross

Felix has been the artistic director of Nitro (formerly Black Theatre Co-operative) since 1996. For Nitro he has worked on: *Slamdunk* (book and co-director), *ICED* (director), *Passports to the Promised Land* (book, music and lyrics), *Tricksters' Payback* (music and lyrics) and *Up Against the Wall* (book co-written with Paulette Randall). He has produced four years of the annual NITRObeat festival (directing many of the performances) as well as *A NITRO at the Opera* in partnership with the Royal Opera House. Other work includes: book, music and lyrics for *Blue for Railton* (Albany Empire), *Glory!* (Temba/Derby Playhouse), *Mass Carib* (Albany Empire/South Bank) and music and lyrics for *Jekyll & Hyde* and *The Bottle Imp* (both books by Graham Devlin, for Major Road). He composed and conducted *Integration Octet* for string quartet and steel pan quartet at the Aldeburgh Festival/Royal Festival Hall.

Felix regularly composes Radio 4 dramas and has written music or songs for over 50 stage plays including the entire canon of Agatha Christie's plays (23 of them) for the Palace Theatre Westcliff. He directed *The Panbeaters* for Greenwich Theatre and has also directed plays for Radio 4.

David Dixon

David Dixon is a consultant working in fundraising and marketing for cultural and heritage organisations. He is particularly interested in the long-term relationship between the arts and their audiences. David is also director of the Phone Room Ltd, the UK's leading arts telemarketing and telephone fundraising agency, which he founded in 1997. David was a senior fundraising manager with Oxfam before joining the Oxford Playhouse as development director in 1991. Since 1993 he has worked independently and now has unparalleled experience in the UK of telemarketing and of committed giving programmes for the arts. He is a frequent conference speaker and contributor to arts and fundraising magazines.

David and The Phone Room work with many of the UK's leading theatres, operas, orchestras and galleries on marketing, fundraising, ticketing, membership and research projects. Current clients include the South Bank Centre, English National Opera, National Galleries of Scotland, Tower of London and Edinburgh International Festival, amongst many other national and regional organisations.

Deborah Doane

Deborah Doane is an active campaigner, writer and researcher in the area of corporate social responsibility, ethical trading and global sustainability. Deborah was a programme director of Transforming Markets at the New Economics Foundation (NEF) until March 2004, a leading not-for-profit think-tank, where she is now an associate. At NEF, she co-founded ‘Anti-Apathy’, an innovative cultural campaign that aims to engage a wider general audience in awareness and action for positive social change through the appeal of culture and lifestyle. She currently chairs the CORE (Corporate Responsibility) coalition of over 100 non-Governmental organisations (NGOs), organisations and individuals, campaigning for legal change to embed social and environmental objectives in all businesses. She is a frequent writer and speaker and has delivered guest lectures at the London School of Economics, London Business School and Harvard University amongst others.

Roberta Doyle

Roberta Doyle was born and educated in Glasgow, graduating in Business and Administration from the University of Strathclyde, with a three year specialism in marketing. Since 2000, she has been director of public affairs with the National Galleries of Scotland. Roberta has held senior marketing, communications and public affairs posts with some of Scotland’s major cultural organisations; she was head of marketing and press with Scottish Opera from 1992 until 2000, having previously held the same post with Scottish Ballet and the Citizens’ Theatre.

Roberta is vice chair of the Tron Theatre Glasgow, a board director of Sweetscar Theatre and was a member of the Scottish Executive/Scottish Arts Council Steering Group for the creation of the National Theatre of Scotland. Roberta has been a tutor on the Scottish Arts Council-funded TMA ‘Essentials of Marketing’ course and a past tutor on their ‘Introduction to Arts Marketing’ at Druidstone. She has recently been elected a Governor of Glasgow School of Art. She has lectured widely on cultural industry courses on marketing, external affairs, communications and management, has been a visiting lecturer on public and audience-related cultural issues at the Universities of Glasgow and Edinburgh and has given papers at conferences throughout Europe.

Trudi George

Trudi studied at Leicester Polytechnic on their pioneering Performing Arts (Arts Administration) degree course. Post studies she plunged head first into the world of arts marketing at Dual Control International Theatre where, under the dynamic direction of Ellen Kent, they embarked upon the first ever cross-channel arts collaboration. This sought and co-produced vibrant children’s theatre from

France, Italy and Belgium and toured it throughout the UK. Trudi went on to manage a multi-arts and heritage programme for Kent County Council, to develop a visual arts audience development initiative for Kent Arts Marketing before moving on to English Touring Opera as marketing manager. Trudi then stepped outside of the arts and into regeneration as marketing manager for Chatham Maritime, SEEDA's flagship regeneration scheme, where she was faced with a substantial sales target of £4m! During her time with SEEDA she studied for the Chartered Institute of Marketing Post Graduate Diploma. Compulsory redundancy led her to freelance in the medical, property and arts sectors whilst accruing the necessary experience to become elected as a Chartered Marketer. Trudi is currently director of MAX Marcomms Ltd, a consultancy dedicated to providing creative and complementary marketing solutions to the arts and tourism sectors.

Rob Haslingden

Rob Haslingden, Head of Marketing, Experian, Business Strategies, has spent most of his working life associated with the commercial use of geographical information. His formative years were spent in media where he was closely involved in the development of the UK's first comprehensive database of regional newspaper readership – JICREG. This initiative is notable for its successful implementation of census data into the planning and buying of local media, and for the creation greater synergy between census and postal geography.

Rob joined Experian in 1990 to help develop their media services team, and to broaden Experian's foothold among media owners and advertising agencies. His experience covers a wide variety of areas application for segmentation and targeting; including orthodox media such as TV, press, local radio, outdoor, and door-to-door, as well as, classic below-the-line activities such as direct mail. Rob's more recent responsibilities include the development of Experian's digital media offering, including analysis of respondent data for digital interactive TV, and sms/txt messaging. In April of this year he became the division's head of marketing with responsibility for all product marketing initiatives and client communication. He is a member of the UK's Media Research Group (MRG) and JICREG Technical Sub-Committee.

Darren Henley

Darren Henley started his career as a journalist at Invicta Radio in Kent, before becoming a senior broadcast journalist at ITN. He then joined Classic FM as a producer, becoming news manager in 1997, news and programme manager in 1999 and managing editor in 2000. Production credits at Classic FM include the launch of Smooth Classics at Seven, the Official Classic FM Chart and, since

1996, the annual 45 hours long Classic FM Hall of Fame countdown. During his time as editor of Classic Newsnight, the programme won the United Nations Gold Medal for the radio programme that most upheld the aims and ideals of the UN. He is also editorial consultant to Classic FM Magazine as well as being responsible for Classic FM's partnerships with arts organisations around the UK. Darren is a member of the Broadcast Journalism Training Council and of Arts Council England's South East Regional Council. He sits on the board of the Canterbury Festival and is a member of the board of advisors to the New York International Radio Festival. A Fellow of the Royal Society of Arts, he studied politics at the University of Hull.

Charles Levison

Charles Levison is a lawyer by training, who has held senior executive posts with Arista Records, Virgin Records, WEA Records, Warner Home Video and Virgin Broadcasting. He has also been chairman of Friends of the Earth and of the Institute of Contemporary Arts. He was made a Chevalier de l'Ordre des Arts et des Lettres by the French Government in 1993. He is currently deputy chairman of Chrysalis Group PLC and non-executive chairman of accountancy firm Silver Levene and SL Corporate Finance Limited, and a non-executive director of London Wasps Holdings Limited and Theatreshare Plc. He is also a consultant to Harbottle & Lewis and a Trustee of the Lowry Centre.

Heather Maitland

Heather Maitland is an arts consultant with recent clients including London Arts, Stratford Circus, the Scottish Arts Council, Oxford Contemporary Music and Arts Council England. Heather is director of the Theatrical Management Association's (TMA) week long marketing courses in Druidstone and Dunalastair and the research associate at the Centre for Cultural Policy Studies at the University of Warwick.

She has worked for a wide range of arts organisations: from the smallest of touring theatre companies to running the London end of the Royal Shakespeare Company's marketing operation encompassing both classical and contemporary dance. She worked on audience and art form development with around 40 small scale venues and companies in the East of England while at Eastern Touring Agency. She spent over two years at Midlands Arts Marketing working with 60 arts organisations of all scales on audience development, market research, business planning and strategic marketing.

Heather has written *A Guide to Audience Development*, *The Golden Guide: marketing for touring*, *The Silver Guide: marketing for touring companies with few resources*, all for Arts Council England. Her

study of audiences for new work entitled, *Is It Time for Plan B?* and a 324 page guide to arts marketing, *The Marketing Manual*, are published by the Arts Marketing Association (AMA).

Alan Rivett

Alan Rivett is the director of Warwick Arts Centre which comprises five performing arts venues, the largest arts complex of its kind outside London, a turnover of £3.5m, and annual attendance of 250,000. He has led the capital development of the building funded by an Arts Council capital lottery award of £3.1m, and is responsible for an annual multi-disciplinary programme of over 1500 individual events across a broad spectrum of artistic activity including all performing arts, visual arts, film and literature. He has worked in the arts in the West Midlands since 1977 in community theatre, and as drama officer for West Midlands Arts. He maintains a keen interest in the development and commissioning of new work, particularly in the performing arts.

Ros Robins

Ros is currently director of arts at Arts Council England, West Midlands. A relative newcomer to the arts funding system, Ros joined the Arts Council three years ago as director of Management Services, four weeks before the merger of regional arts boards was announced. Her first two years in post, therefore, were spent contributing to the management of a significant change process. This experience built on her previous years of employment at the Birmingham Repertory Theatre. Initially theatre administrator, Ros moved into project management in her latter period of employment at the theatre, co-ordinating the theatre's stabilisation and capital programmes.

Ros's career in the arts started fairly predictably with a degree in Drama from Birmingham University (leaving in 1980 vowing never to return to the city!) followed by four years as a performer (and waitress, comedy tour booker, campaigns administrator for War on Want etc). A 'proper' job was finally gained managing the Hope Community Centre in Bristol. From there Ros moved back to her home town as administrator of the Liverpool Everyman Theatre where her daughter was born in 1991, thus ensuring that Ros would need to remain in sensible employment for evermore. Ros did return to the West Midlands and the transformed city of Birmingham 10 years ago and has been based here ever since.

Delegate List

Marksteen	Adamson	ArthurSteenAdamson
Julie	Aldridge	AMA
Natasha	Anderson	INIVA
Beth	Aplin	Catalyst Arts
Joanna	Baker	Edinburgh International Festival
Tim	Baker	Baker Richards Consulting
Dr Nick	Baylis	Cambridge University
Juliette	Bevis	Tamasha Theatre Company
Helen	Bolt	AMA
Orian	Brook	Audiences London
Melanie	Brooker	City of Birmingham Symphony Orchestra
Annabel	Busher	AMA
Catherine	Cannon	Tullie House Museum & Art Gallery
Karen	Cardy	London Symphony Orchestra
Stephen	Cashman	Stephen Cashman Consultancy & Training
David	Clutterbuck	Clutterbuck Associates
Kieran	Cooper	Catalyst Arts
Tracy	Cooper	Royal Albert Hall
Geoff	Cripps	Rhondda Cynon Taf CBC - Cultural Services
Felix	Cross	Nitro
Louisa	Davison	The Corn Exchange
David	Dixon	The Phone Room Ltd
Deborah	Doane	Associate of New Economics Foundation (nef)
Roberta	Doyle	National Galleries Of Scotland
Ruth	Doyle	Leicester Haymarket Theatre
Simon	Drysdale	The Glasgow Royal Concert Hall
Helen	Dunnett	Royal Liverpool Philharmonic Orchestra
Alison	Edbury	Audiences Yorkshire
Rosa	Evans	Experian
Sarah	Gee	City of Birmingham Symphony Orchestra
Jennie	Gentles	The Drum
Jo	George	Inspired Art Fair
Trudi	George	Max Marcomms LTD
Jonathan	Goodacre	momentum arts
James	Gough	Arts Marketing Hampshire
Patricia	Gould	Smart Audiences
Caroline	Griffin	sampad

Matthew	Hare	ts.com
Rob	Haslingden	Experian
Pam	Henderson	AMA
Darren	Henley	Classic FM Plc
Sarah	Hunt	Bristol Old Vic
Paul	Kaynes	Birmingham Arts Marketing
Shirley	Kirk	South West Arts Marketing
Caroline	Lee	Open Air Theatre
Charles	Levison	The Lowry
Jo	Lock	North Devon Theatres Trust
Frances	Longley	MAC (Midlands Arts Centre)
Jane	Macpherson	The Lowry
Rob	Macpherson	Birmingham Hippodrome Theatre
Heather	Maitland	Freelance Consultant
Bernard	Martin	TEAM
Rebecca	McCauley	Buxton Opera House
Fred	Moroni	Malvern Theatres
Rita	Mulvey	The Lowry
Sarah	Ogle	Liverpool Everyman & Playhouse
Sara	Phillips	momentum arts
David	Popple	Stamford Arts Centre
Alan	Postlethwaite	ts.com
Debbie	Richards	Baker Richards Consulting
Louise	Richards	Motionhouse Dance Theatre
Robins	Robins	Arts Council England, West Midlands
Lee	Rotbart	London Calling Arts Ltd
Susan	Royce	Freelance Consultant
Caroline	Sanger-Davies	Wales Millennium Centre
Peter	Sarah	Theatre Royal Newcastle
Lucy	Shorrocks	Welsh National Opera
Jessica	Silvester	Royal Albert Hall
Gary	Smith	Birmingham Hippodrome Theatre
Kate	Smith	South West Arts Marketing
Matt	Smith	New Theatre Cardiff
Ruth	Staple	South West Arts Marketing
Judith	Streatfeild	Tullie House Museum & Art Gallery
Jo	Taylor	Welsh National Opera
Anne	Torreggiani	Audiences London
Selena	Virrels	Royal Festival Hall
Ivan	Wadson	Arts About Manchester

Nick	Woodhouse	Guardian Newspapers Ltd
Kate	White	Blackfriars Arts Centre
Susan	White	Impact Arts (Glasgow) Ltd

Further Reading

Positive psychology and the science of well-being

Authentic Happiness by Martin Seligman (Free Press, 2003)

The Childhood Roots of Adult Happiness by Edward Hallowell (Vermilion, 1999)

Aging Well by George Valliant (Harvard University Press, 2003)

Bowling Alone: The Collapse and Revival of American Community by Robert D Putnam (Simon & Schuster, 2000)

www.BowlingAlone.com

www.PositivePsychology.org

Co-opetition, game theory and getting the strategy right

The Evolution of Co-operation by Robert Axelrod (Penguin Books, 1990)

The Complexity of Cooperation - agent based models of competition and collaboration (Princeton University Press, 1997)

Navigating Complexity - the essential guide to complexity theory in business & management by Arthur Battram (The Industrial Society, 1998)

Finite & Infinite Games - a vision of life as play and possibility by James P Carse (Ballantine Books, 1986)

Thinking Strategically - the competitive edge in business, politics and everyday life by Avinash K Dixit & Barry J Nalebuff (W. W. Norton & Company, 1991)

Strategy Safari - a guided tour through the wilds of strategic management by Henry Mintzberg, Bruce Ahlstrand & Joseph Lampel (Prentice Hall Europe, 1998)

Co-opetition by Barry J Nalebuff & Adam M Brandenburger (Harper Collins Business, 1996)