

Gerri Morris, Director, Morris Hargreaves McIntyre
Using audience/visitor insight as a catalyst for organisational change

Gerri Morris is a partner of Morris Hargreaves McIntyre, one of the pre-eminent cultural management and research consultancies in the UK. She has led projects for Tate, the British Museum, the National Portrait Gallery, the National Maritime Museum, the National Museums and Galleries of Scotland, Arts Council England, the Museums Libraries and Archives Council and the DCMS. Gerri was a co-founder of the Arts Marketing Association and has published a number of documents such as *Taste Buds: how to cultivate the art market* for Arts Council England. She is a popular international trainer, having delivered programmes as far afield as the Philippines, Kazakhstan, Australia, Slovakia and Korea.

This session explored the ways in which audience / visitor insight can be used to make organisations more successful. Gerri introduced a new diagnostic tool that enables an organisation to assess how audience / visitor focused it is. Through case studies she illustrated how a deep knowledge of the motivations, responses and characteristics of existing and potential markets can inform practical business and audience / visitor development strategies, with tangible results, and catalyse a change in the philosophy, perspective, and ultimate performance, of the whole organisation.

Insight Required

In 1909 Caruso, the legendary opera singer performed at the Free Trade Hall in Manchester. The following day 40,000 people turned out to Heaton Park in North Manchester to hear the recording of his concert broadcast from a gramophone player with a very big horn. And they were all wearing hats.



A century later the present day equivalent of that opera is now broadcast by satellite – with performances beamed live from the Met in New York into cinemas across the UK, and the world, to sell out audiences.

At another level of engagement Liverpool Philharmonic – performed to over 80 avatars in the virtual world Second Life. Afterwards, patrons visited the virtual Grand Foyer Bar at the Phil where Petrenko and Composer-in-the-House Ken Hesketh were on hand to chat and answer

questions about the performance. That concert can now be experienced by anyone on the site – a potential audience of 8.6million people. The difference now is that the second lifers wanted to interact with the experience, including dancing exotically in the aisle.



What to do when the main reason for lapsed subscriptions is death

So – ‘times they are a changing’ – but many orchestras still resemble the model of a century ago and still approach their audience as a distant, respectful group of passive consumers whose hats have now been replaced by a sea of grey hair. Our traditional arts organisations were developed in very different times, for audiences very different from those we address now, but if we are to adapt at the speed required by the fast changing world around us then audience insight is the catalyst we need to help us match that pace of change.

At one time, many orchestras sold a high proportion of their tickets through industrial subscription schemes. Targeted at people with little money and limited opportunities, a choice of 2 TV channels and no gyms or cafe bars as alternatives, orchestral concerts could be the highlight of a drab week. But in the modern world, when the main reason for subscriptions lapsing is death, orchestras are not the only arts organisations that need to reconfigure their offer and find new ways to engage people.

It has been tempting for years to entertain the notion that orchestral music is simply not appreciated by the young: that a certain degree of maturity is required to connect with it. The prevalent audience development strategy was simply to wait for people to grow old. But there is little evidence that waves of middle-aged people are replacing those who are dying. People who liked rock music in their teens are still turning out for rock concerts in their ‘60s and now we are dealing with the phenomena of ‘middle youth’ ‘kidults’ and people resolutely refusing to act their age.

So, where there might be new people for orchestral music, their attendance habits are proving radically different from their predecessors’. Their frequency levels are a fraction of that of the audiences they are replacing on account of the vast array of choices they now enjoy and their youthful mindset. Modern audiences are both fickle and promiscuous and this simply doesn’t serve the objectives of the traditional orchestral marketing model.

The slothful, fickle, single-ticket buyer

‘Every time the single-ticket buyer doesn’t buy, he strikes us a cruel blow, both financially and morally. His empty seat mocks our artists and screams its reproach to our promotional effort for its failure to entice him. Ironically, the real victim is the recalcitrant ticket purchaser himself. If he could but understand that, by not coming, he has not permitted us to so inform him, to so inspire him, to so entertain him.’

(Danny Newman, *Subscribe Now!*)

A feature of conventional arts marketing wisdom in the ‘70s and ‘80s was to assert that promiscuity was bad. Monogamy was a construct of orchestras seeking to serve their own

needs as ticket sellers: vast amounts of precious marketing budgets were spent on trying to herd people into loyalty pens and defend market share, when the future was in fact a shared market.

The modern solution? Horizontal subscription is a suggestion from Diane Ragsdale (*Mission: Possible, AMA Conference Nov 2007, and New Zealand, Move On Up Conference, June 2008*) - to promote subscription schemes that cut across a range of arts organisations taking in theatre, concerts and exhibitions. This meets audiences' needs for variety and choice and works with the critical mass of cultural provision found in our larger towns and cities, rather than against it.

We need insight

Intelligence, in other words an awareness of the changing world around us that looks way beyond our own database, and insight, an understanding of the needs, attitudes and motivations of our existing and potential audiences are not just helpful in informing the transition we all have to make – they are vital drivers of a wholesale culture change that is critical for those arts organisations looking to a sustainable future.

The BBC estimates that a new blog is created every second, 1,400,000 UK pupils now have their own web-page and in the USA, 50% of 21 year olds are involved in creating content on the web. This includes music, film, visual art, dance, and the written word.

Cultural consumers to cultural producers

As has been documented at length elsewhere these audiences of the future are no longer content simply to consume art now, they are increasing actively engaged in making it and distributing it to growing, discerning but endlessly diverse and diffused audiences worldwide.

This democratisation of culture is profoundly altering patterns of production, distribution and consumption - a big shock to those organisations which see themselves as deliverers of culture.

The blurring of boundaries between high art and popular culture means that now, more than ever before, anyone can claim to be an artist and present his or her work as art. The implication is that people will be less inclined to worship at the altar of high art and that the artist is less likely to be regarded as a priest. Consequently, we have to offer a great deal more than a passive consumer experience.



The important thing is that we are not caught like a rabbit in the headlights or Handy's boiling frog, or the whale after a receding tide, as the pace of change overwhelms us and leaves us squashed, poached or beached.

'Dear Music Lover'

'PS - book by November 11 and we'll give you a complimentary glass of wine at the first concert'

Arts marketing has to put a spurt on: while the world is changing at a frightening pace, arts organisations are in glacial mode. Ironically, inherent conservatism in the sector results in a confusion between what is considered good practice and what is in fact merely common practice. What is particularly terrifying for example is that direct marketing campaigns that were aired in the 1980s are still being repeated now: audiences are still receiving the same letter. We are in danger of norming rather than innovating and continuing to use 20th Century tools and 20th Century data to meet 21st Century challenges.

The biggest issue is that culture is becoming more participative and interactive – rather than something that is 'done' for you or to you.

This means that arts organisations now, more than ever before, need to understand, communicate and engage with their audience. For culture to reach into people's lives it has to be resonant and meaningful; it has to add something that they can't get from the host of other stimulation that they can get elsewhere.

- We need to understand, communicate and engage
- We need to be resonant and meaningful

Stop doing... Start listening

In order to achieve this, arts organisations need to work with their audiences, rather than 'do things' to them. We need to open up, welcome in, collaborate; we need to accept that we can be challenged and inspired by the audience's creativity and that responding to that stimulus whether artistically, or in our organisational culture, or in our marketing, might provoke us to produce our best work.

The accusation of 'dumbing down' is a way of disguising the cascade of disdain

In the past this would have been unthinkable. Artists, creative directors and curators have often, as a matter of pride, distanced themselves from audiences. The assumption has been that engaging with the audience was a sign of dumbing down because audiences couldn't possibly be as inventive, risk-taking or sophisticated as cultural producers. This cascade of disdain is what has perpetuated the isolation of the arts from the public and is now in danger of widening that divide. But audiences are intelligent, informed, aspirational, inventive and increasingly articulate, discerning and open to risk more of the time – they are just rarely credited as being so by the arts fraternity.

But this transition should not prove too difficult, since current social trends are working in favour of the arts.

Patterns are clear: in the '80s, the trend was to buy material goods, the emphasis was on acquiring stuff that would make life better. People were consuming, accumulating things and measuring their happiness by how much they owned.

In the '90s there was a move beyond consumerism and the emphasis shifted to buying a lifestyle: holidays in the Bahamas, show homes (often unattainable dreams that relied on a level of affluence and disposable income) and was equated with happiness. We outsourced the things we didn't want to do. The result was a massive expansion in services: for instance restaurants, ready meals, nail bars, dog walkers. In reality, all this generated was more time to spend at work earning the wherewithal to pay for these services.

Now the aspiration is for 'me' time: the work-life balance. The focus now is on more modest 'perfect moments' derived from authenticity, community and unforgettable experiences. These together contribute to quality of life.

The arts can do that - and probably better than any other sector. We can offer people authenticity. Alongside the handmade produce from the Farmers' Market we can offer people the chance to get 'up close and personal' with truly ancient and mind-blowing objects like the terracotta army. We can provide real experiences of watching performers in intimate environments present us with an entirely new world-view, emotionally cathartic moments, intellectual stimulation or just a really good laugh.

We facilitate social interaction: we can offer people the chance to join communities of interest, to engage in shared experiences, a sense of belonging, a sharing of ideas and creativity, affirmation and endorsement.

We provide perfect moments by the bucketful: 'altered state' interludes as we visit an art gallery; pure escapism watching a musical; spine-tingling experiences; nuggets of new and wonderful knowledge; unalloyed joy; celebration; unforgettable first dates. We can make people more interesting to sit next to at dinner parties; we can and do improve the quality of people's lives.

- Think tanks tell us we can't measure intrinsic value
- Maybe we just don't credit the public with feeling what we do?

Most multi-national companies with vast budgets would struggle to invent a better portfolio of experiential offers than we have at our disposal and yet we still communicate our offer in an impersonal way and claim that we don't understand the outcomes and impact of what we are offering. This is absurd. Surely the only reason why most of us work in the arts is because these benefits are implicit. Is it that we are too lazy, too coy or don't credit the public with getting the same out of it as we do? Is that why we fail to make these benefits explicit?

In order to meet the needs of our 21st Century audiences and communicate the benefits we offer more effectively, we have to operate as 21st Century organisations and this means changing profoundly and rapidly.

So what are the characteristics of a 21st Century arts organisation and how do we become one?

7 Pillars of Audience Focus

Morris Hargreaves McIntyre has been employed by a number of organisations in drawing up their 21st Century development plans. We have identified 7 distinguishing features of organisations which are geared up to and able to engage with their audiences, in an open, flexible and progressive way. These characteristics chime with Diane Ragsdale's findings. We call these the 7 Pillars and they are:

- Vision-led
- Brand-driven
- Outcome-oriented
- Inter-disciplinary
- Insight-guided
- Interactively-engaged
- Personalised

Vision-led, audience-focused

- Art is the Yin to the audience's Yang
- Unequivocally, artistically vision-led, and relentlessly audience focused
- Leadership champions art and audience equally
- If you're insecure, you focus on your peers, not the audience

If organisations are vision-led – in a way that champions the art and the audience equally – they can have absolute confidence in its artistic vision because it is only that confidence that enables an artistic director to embrace the audience wholeheartedly and be philosophically committed to being audience-focused. Fear of the audience or worse, disdain for it, together with concern for peer approval, hold organisations back – rendering them conservative, reactionary, imitative and doomed.

Brand-driven

- Not about logos or communications
- Brand is our DNA
- It should inform everything we do
- We believe that a brand is the best way to codify and apply our essence, values and personality
- Being on brand is being true to ourselves

That they are brand-driven – the organisation recognises that the best way to communicate its DNA, its essence, values and personality, and thereby engage and communicate effectively with its audiences, is through a strong, assertive and widely understood brand.

Outcome-orientated

- We believe that art improves the quality of life for individuals and the health and well-being of society
- These outcomes can be stated and measured
- The organisation measures its success by these outcomes and impacts

That they are outcome-oriented – the organisation firmly believes that art improves the quality of life for individuals and measures its success by the outcomes and impacts it is able to effect.

Inter-disciplinary

- Do we like each other?
- Do we want to work and be creative together?
- We believe it's everybody in the organisation's job to understand, think about and respond to the audience
- Inter-disciplinary teams plan audience development

That their structures and planning are inter-disciplinary – holding that it is the responsibility of everyone in the organisation to understand, think about and respond to audiences with the result that cross-departmental teams are constantly coming up with new and creative ways to grow, diversify and engage with their audience.

Insight-guided

- Fascination with the audience
- Get inside their heads
- We believe audience research is the lifeblood of the organisation
- Deep insight, segmentation, understanding of needs widely disseminated

That everything they do is insight-guided – audience research is the life-blood of the organisation, audience intelligence informs planning, refines creative projects, measures success. Audiences are understood and segmented, responses are explored and modelled, because otherwise the organisation is working in a bell jar and attempts to reach out and touch the audience will fail.

Interactively-engaged

- A continuous two-way exchange with the audience
- We believe that the audience is as intelligent, creative and challenging to us as we want to be with them
- We're confident and secure enough in our own practice not to be frightened of opening up our process

That the company is interactively-engaged with its audiences, partners and stakeholders. There is a continuous 2-way flow of communication and creativity in recognition that the audience is as creative, challenging and passionate about art as the organisation is. Partnerships enable the organisation to extend resources, reach new audiences and develop offers that meet wider ranges of needs.

Personalised

- We want to help each individual member of the audience to fully engage and respond socially, intellectually, emotionally and spiritually
- So all our processes are optimised to meet individuals' needs

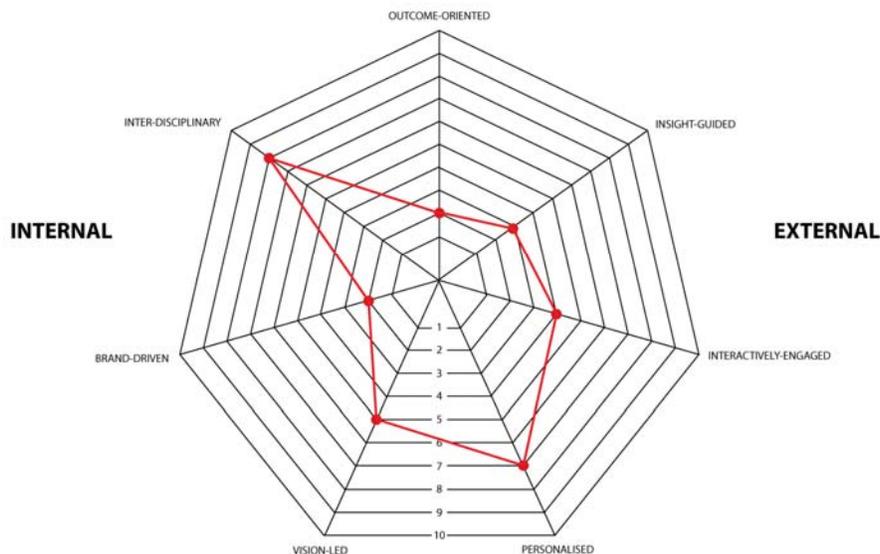
That the quality of the relationship between the organisation and the individuals who support it is personalised – that the audience can define the experience they want from the organisation for themselves.

How do you shape up?

How do you estimate your level of progression to being a truly 21st Century organisation?

Morris Hargreaves McIntyre has developed a simple diagnostic test. This is based on self-evaluation – but everyone in the organisation has to carry it out and then the scores are discussed to reach an objective and shared final appraisal.

Your own 7 Pillars 'footprint'



The test results are mapped to show up areas of strength and improvements needed (as shown above). Interdisciplinary teams can then address the development areas and set objectives and strategies for moving forward.

THE SEVEN PILLARS OF AUDIENCE FOCUS: Scorecard														
Score out of 10	Vision-led		Brand-driven		Outcome-oriented		Inter-disciplinary		Insight-guided		Interactively-engaged		Personalised	
Values	We are unequivocally artistically-led, and relentlessly audience focused. The audience is as important as the art.	8	We believe that a brand is the best way to codify and apply our essence (vision), values and personality.	8	We believe that art improves the quality of life for individuals and the health and well-being of society.	9	We believe that it's everybody in the organisation's job to understand, think about and respond to the audience.	8	We believe that audience research is the lifeblood of the organisation. Audience research as important as art research.	8	We believe that the audience is as intelligent, creative and challenging to us as we want to be to them	10	We want to help each individual member of the audience to fully engage and respond socially, intellectually, emotionally and spiritually.	8
Features	Leadership champions art and audience equally	8	Brand informs all aspects of operation	7	Organisation measures its success by outcomes and impacts	8	Inter-disciplinary teams plan audience development	7	Deep insight, segmentation, needs widely disseminated	6	Continuous two-way exchange with audience	7	Processes are optimised to meet individuals' needs	6
Practice	Is there a clear artistic vision that everyone in the organisation understands?	7	Have you got a written document defining your brand (essence, values, personality etc)?	6	Has the organisation articulated very clear outcomes for audiences?	6	Is knowledge about audiences widely disseminated inside your organisation?	6	Do you have a regular programme of audience research, consultation and evaluation?	8	Do you deliver your service to/for people or do you do it WITH them?	7	Do you understand the different needs of different types of visit?	6
	Is the commitment to audiences genuine, warm and deeply philosophical rather than just financial or political?	8	Does everyone have a copy of this brand document to hand and do they use it?	0	For each project do you name the visitor segment(s) you're aiming at and what outcomes you want them to get?	8	Does everyone in the organisation see understanding audiences as part of their job?	7	Do you have a dedicated budget for this?	0	Do audiences have an input into your services and have you got good ideas from them?	7	Have you adapted your programming and presentation to meet these different needs?	7
	Is there an audience champion at the top of the organisation?	8	Have all staff/departments reviewed their activities to see if they are 'on-brand'?	0	Have you defined measures of these outcomes and impacts?	8	Do you have cross disciplinary teams that meet often?	7	Have you segmented your audience by their different needs?	7	How have they inspired your creativity?	5	To what extent do you help different types of users to develop their skills, confidence and knowledge?	6
	Does this leader consistently focus the staff on improving the audience experience and on delivering audience outcomes?	8	Have you acted on issues identified by this brand review?	9	Have you set targets for these outcomes and impacts?	6	Do these teams include staff that have direct audience contact (eg front of house, box office)?	7	Is this insight driving the development of your work, your programming or your presentation?	8	How have you facilitated their creativity?	5	To what extent do you meet the needs of specialists and experts?	7
	Is the commitment to audiences embedded in your vision, mission and high-level business plan objectives (not just sales)?	8	Is your brand consistently communicated (visually, in copy and in choice of promotions)?	10	Do you have a reliable way to collect data on these outcomes?	6	Do they discuss how to meet the needs of different audiences?	8	Is someone responsible for collating, curating and managing this collective knowledge?	5	Do you have real ongoing two-way dialogue or just occasional input?	5	How well trained are your staff to interact with visitors on a personal level?	7
	How much effort do you make to widen access for all through education, explanation and interpretation?	8	Is your brand consistently delivered?	8	Have you defined your wider 'societal' responsibilities and are you committed to widening participation?	10	Does this influence the work or the way it is presented, explained or supported?	9	Would you describe yourselves as a learning organisation?	8	What partnerships have you created with other bodies?	8	Are your marketing and communications personalised?	9
Ave. Score	Vision-led	7.9	Brand-driven	6.0	Outcome-oriented	7.6	Inter-disciplinary	7.4	Insight-guided	6.3	Interactively-engaged	6.8	Personalised	7.0

The test is not simply useful to analyse present position. It is also a planning tool. The test results in a polygon which shows graphically where the organisation is lacking. Once the score has been agreed then interdisciplinary teams can address the areas where the company has to develop and set objectives and strategies for moving forward.

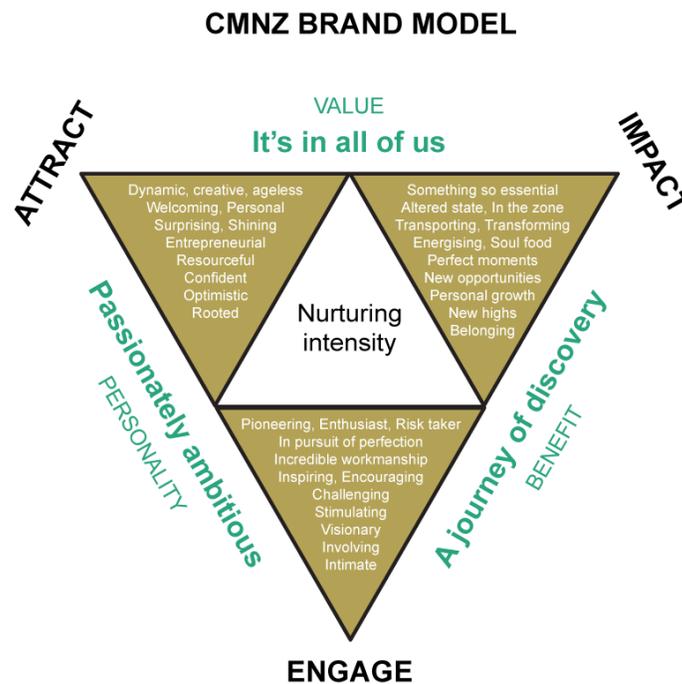
Let's focus on the insight-guided column

- Do you have a regular programme of audience research, consultation and evaluation?
- Do you have a dedicated budget for this?
- Have you segmented your audience by their different needs?
- Is this insight driving the development of your work, your programming or your presentation?
- Is someone responsible for collating, curating and managing this collective knowledge?
- Would you describe yourselves as a learning organisation?

Where is it happening now?

How are some organisations going about achieving this culture change? The basis of the change process is insight – a real understanding of audiences coupled with artistic bravery.

Visionary 21st Century organisations tend to be led by extraordinary individuals who have a strong feel for what people are ready for. For example Alex Poots of the Manchester International Festival understands how new artforms can be created out of the blurring of boundaries between high art and popular culture, and unforgettably, intense experiences from placing performances in entirely surprising venues.



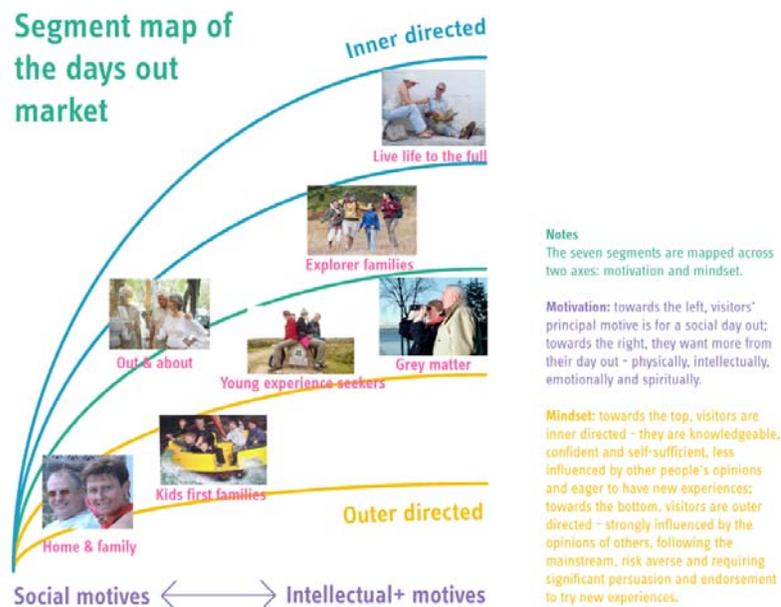
Outcome-oriented

The British Museum has built into its measurements of success the number of visitors it manages to convert from expecting just a social experience to achieving an intellectual, emotional or spiritually satisfying outcome. This is now being developed further into an evaluation system that can measure those visitors who achieve an altered state, an imaginative flight or a time travel experience.

Alan Brown in the USA has measured the intrinsic impacts on audiences of the performing arts against the similar measures of social bonding, intellectual stimulation, aesthetic growth, emotional resonance, captivation and spiritual value for a range of organisations that included dance, theatre and orchestral music presentations covering the Kirov Opera to the musical Mamma Mia! These examples show that despite what think tanks and commentators say, it is possible to plan for and measure success against, the intrinsic impact of the arts, because we are already doing it.

Inter-disciplinary

Bristol Museums and Art Galleries have been engaged in a culture change process to become a more audience-focused service. This has been characterised by the planning of the new Museum of Bristol being conducted entirely through inter-disciplinary teams informed by audience consultation through forums and e-panels.



Insight – guided

The National Maritime Museum is using wide-ranging qualitative and quantitative research that explores not just visitor profile but patterns of engagement, outcomes and impact, brand awareness and brand resonance to inform its strategic planning from now on.

Interactively - engaged

Contact Theatre, a young people's venue in Manchester gives over its foyer and other spaces for programming by its audiences. The result is a dynamic, lively social space that is in day-long use and a genuine reflection of its constituency.

Diane Ragsdale provides another example of interactivity: For an exhibit of an avant-garde multimedia group called the Residents MOMA in NYC curated 11 videos to accompany a short audio piece by The Residents. These videos were created by the general public in response to an open call. The top 11 videos curated by MOMA were then posted on YouTube and the public were invited to weigh in, and vote for their favourites.

Personalised

In 2000 the Edinburgh International Film Festival adopted a psychographic segmentation system based on motivations, behaviour and expertise. This informed their personalised booking services such as the Suggestotron, a web-based service which enables people to develop their own tailored selection of Festival films based on their favourite films ever, but then encourages them to take risks through signposting other films that might appeal on the basis of the choices they have made. This service has significantly increased the numbers of films individuals book for and the level of risk-taking amongst audiences. Audience Builder is a personalised, software-based CRM system developed as a result of psychographic segmentation of live music attenders designed to do the same thing.

Gerri then showed delegates a range of different advertising and promotion ideas, before sharing the results.

The results

59% influenced by 'If you like this...'	3-10 films up 87%
11+ films up 96%	Advance packages up 98%
Ticket sales up 85%	Yield up 15% despite sales promotion
Ticket sales up 85%	Yield up 15% despite sales promotion
Safety Firsts up 85%	Cautious Gamblers down 30%
Risk Takers up 110%	Year on year retention up 60%
Returning lapsed up 21%	New attenders up 107%

Why are we so slow becoming

- Insight-guided
- Audience-focused
- Outcome orientated?

Many of our examples are drawn from museums, and some manifestations of these characteristics have been around for a few years. In 1994 we wrote a report that stated that the museums and galleries sector was at least 10 years behind the performing arts sector.

Now, however, the performing arts are lagging way behind museums and galleries in terms of being audience-focused, insight-guided and outcome-orientated.

- Test Drive
- Audience Builder

Also:

- Insight-guided
- Audience focused
- Personalised

15 years ago we developed Test Drive as a personalised, interactive and audience-focused approach to market development. As we write, the whole state of Queensland in Australia is now running the world's biggest Test Drive campaign encompassing most performances and most venues. This campaign is now being repeated by the State of Victoria.

In Sweden this year, Malmo Opera has attracted more new attenders through Test Drive than all UK Opera Companies have attracted in the past 15 years. This company is also the first in the world fully to adopt Audience Builder.



In the past 3 years what might once have been considered to be developing countries have quickly caught up and overtaken us, having embraced emerging technologies far more fully and creatively than many UK companies. Now our major international clients are challenging us to develop innovative practice. We are now re-importing this back to the UK.

In conclusion, arts organisations in the UK must start using intelligence and insight to change their culture. They must make the shift from assuming that they deliver art to a passive audience. They must personalise their service and find new ways of engaging with the public. They must rid themselves of the illusion that everything they need to know is contained in their box-office database. They must transform the philosophy, ethos and values of their organisation. They must be prepared, if necessary, to address their structure, management information and performance measurement systems. This might be organic development for some, wholesale transformation for others. Our message is that this isn't optional.

Every time we speak to people, in the course of the 100s of focus groups and 1000s of interviews we conduct every year, we hear the same message: that the arts can and do transform people's lives and that the same passions that drive us to work in the arts drive people to engage with them. The deeply felt personal, life-enhancing outcomes are not just our own fanciful constructs, they are real and emerge repeatedly and unprompted from peoples' lips. But, increasingly, these audiences are expecting creative organisations to look, produce and operate as the 21st Century organisations they perceive us to be. We

need to have the courage of our convictions and stop operating as if we are trying to run a race with our legs tied together. We need our management and our marketing to be as creative and ground-breaking as our cultural production. And we need to speak to people, listen to them and treat what we hear with respect. From the insight that we gain from this conversation we can gain the confidence to liberate ourselves to make the changes necessary for a sustainable and impactful future.

http://www.lateralthinkers.com/Resources/MHM_PDFs/insightrequired%20final.pdf