



Insight required

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Are you sitting comfortably?

In 1909, Caruso the legendary opera singer Caruso performed at the Free Trade Hall in Manchester. The following day 40,000 people turned out to Heaton Park, 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, opera is broadcast by satellite, with performances beamed live from the Met in New York to 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 8.6m. The difference now is that the second lifers wanted to interact with the experience, including dancing exotically in the aisle.¹

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century ago, and still approach their audience as a distant, respectful group of passive consumers whose hats have now been replaced by a sea of grey hair. At one time, orchestras sold a high proportion of their tickets through industrial subscription schemes. Targeted at people with little money and limited opportunities, a choice of two TV channels and without the internet and a vast array of other cultural offerings as alternatives, orchestral concerts could be the highlight of a drab week. But in the modern world, when the most common reason for a lapsed subscription is death, we need to reconfigure our offer and find new ways to engage people.

And it's not just orchestras: all our traditional arts organisations were developed in very different times, for audiences very different from those we address now. If we are to adapt at the speed set by the fast-changing world around us, then audience insight is the catalyst we need to help us match that pace of change.

Why won't they behave?

It has been tempting for years to entertain the notion that orchestral music, and other art forms

come to that, are simply not appreciated by the young: 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 sixties. We are dealing with the phenomena of 'middle youth', 'kidults' – people resolutely refusing to act their age.

So where new people are attracted to orchestral music, their attendance habits are proving radically different from their predecessors'. Their frequency levels are a fraction of that of the dedicated audiences they are replacing. Modern audiences are both fickle and promiscuous – but this simply doesn't serve the objectives of the traditional orchestral marketing model.

A feature of conventional arts marketing wisdom in the 70s and 80s was to assert that promiscuity was bad.² 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 present day solution? Diane Ragsdale³ has suggested horizontal subscription: to promote subscription schemes that cut across a range of arts organisations, including theatres, orchestras and galleries. This meets audiences' needs for variety and choice and works with the diversity of cultural provision rather than against it.

We believe there are two tools which enable arts organisations to meet these challenges:

- Intelligence: 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.

These 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.

Cultural consumers to cultural producers

The BBC estimates that a new blog is created every second. 1.4 million UK pupils now have their

own web page. 50% of 21 year olds in the US are involved in creating artistic content on the web including music, film, visual art, dance, and the written word.⁴

As has been explored in detail elsewhere⁵ audiences are no longer content simply to consume. They are increasingly actively engaged in making and distributing art to growing, discerning but endlessly diverse and diffused audiences worldwide. And the blurring of boundaries between high art and popular culture means that increasingly anyone can claim to be an artist and present his or her work as art.

Our audiences will be less inclined to worship at the altar of high art and the artist is less likely to be regarded as a priest. Consequently we have to offer a great deal more than just a passive consumer experience. This democratisation of culture, and the profound shifts in patterns of production, distribution and consumption will come as a big shock to those organisations who see themselves as the exclusive purveyors of culture.

The important thing is that we are not caught like a rabbit in the headlights, or Handy's boiling frog⁶, or the whale after a receding tide, as the pace of change overwhelms us and leaves us squashed, poached or beached.

Arts marketing needs to get creative

Arts marketing particularly has to get a move 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 is that direct marketing campaigns aired in the 80s 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 to meet 21st century challenges.

Culture is becoming more participative and interactive – rather than something that is done for you or to you. So 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, and it has to add something that they can't get from the host of other stimulation available elsewhere.

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.

In the past this would have been unthinkable. Artists, creative directors and curators have often proudly distanced themselves from audiences. 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 has isolated the arts from the public and is still widening the divide. But audiences are intelligent, informed, aspirational, creative, and increasingly articulate, discerning and open to risk – they are just rarely credited as being so by the arts fraternity.

It’s ours for the taking

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

Patterns are clear. To generalise, in the 80s the emphasis was on acquiring stuff that would make life better. We were consuming, accumulating things and measuring our happiness by how much we owned.

In the 90s the emphasis shifted from blatant consumerism to buying a lifestyle – holidays in the Bahamas, ideal homes – often unattainable dreams reliant on a level of disposable income that was equated with happiness. We outsourced the things we didn’t want to do. The result was a massive expansion in services: restaurants, ready meals, nail bars, dog walkers. In reality all this bought was more time to spend at work to pay for the lifestyle.

Now the aspiration is for ‘me’ time: the work-life balance. We hanker after more modest ‘perfect moments’ derived from authenticity, community and unforgettable experiences. Together, these contribute to quality of life.

The arts can do that

The arts can provide these moments – 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. We provide real experiences of watching performers in intimate environments present us with an entirely new worldview, emotionally cathartic moments, intellectual stimulation or just a really good laugh.

We stimulate 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 live 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.

Any multinational company with an unlimited budget 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. Are we too lazy, too coy or don’t we credit the public with getting the same out of it as we do? Is this 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. This means changing profoundly and rapidly.

The seven pillars of a 21st century arts organisation

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

Morris Hargreaves McIntyre have been employed by a number of organisations in drawing up their 21st century development plans. We have identified seven 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's⁷ findings. We call these the seven pillars and they are:

The organisation is **vision-led** in a way that champions the art and the audience equally. The organisation has an absolute confidence in its artistic vision that enables the artistic director to embrace the audience wholeheartedly, and is philosophically committed to being **audience-focused**. Fear of or disdain for the audience together with concern for peer approval hold organisations back, rendering them conservative, reactionary, imitative... and doomed.

The organisation is **brand-driven**, recognising that the best way to engage with its audiences is to communicate its essence, values and personality – its DNA – through a strong, assertive and widely-understood brand.

The organisation is **outcome-oriented**, firmly believing that art improves the quality of life for individuals. The organisation measures success by the outcomes and impacts it is able to effect.

The organisation's structures and planning are **interdisciplinary**: it is the responsibility of everyone within the organisation to understand, think about and respond to audiences. Cross-departmental teams are constantly coming up with new and creative ways to engage, grow, and diversify their audience.

Everything the organisation does 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.

The organisation is **interactively-engaged** with its audiences, partners and stakeholders. There is a continuous two-way flow of communication and creativity which recognises 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 a wider range of needs.

The relationship between the organisation and the individuals who support it is **personalised**: the

audience can define the experience they want to have from the organisation.

How do you shape up?

How can you estimate your progress to becoming a truly 21st century organisation?

Morris Hargreaves McIntyre have developed a simple diagnostic test based on the qualities shown below. This is a self-evaluation exercise for the whole organisation. Everyone takes part and discusses the results to create a shared appraisal. See table below for detail.

The test is not simply useful to analyse your present position. It is also a planning tool. The test results are mapped to show up areas of strength and improvements needed (an example of this is shown in the radar map below). Interdisciplinary teams can then address the development areas and set objectives and strategies for moving forward.

We have just finished working with four organisations in New Zealand using the seven pillars as the basis for a strategic planning process entitled Move On Up. This has transformed them as Simon Ferry, Artistic Director of Centrepunkt testifies:

Move On Up has revolutionised and revitalised our company. We feel like a bottle of Fanta given an almighty shake, with the cap ready to blow!

Through Move On Up we have gone from an introspective, dependent company chasing multiple strategies to fulfil shifting objectives to an audience-focused, vision-led company determined to create its own future.

The brand focus has had an immediate effect; it shapes every decision we make, from where we invest our financial resources to what loo paper we choose.

Our strategic plan was a document of 35 pages that sat in the drawer. It is now a one page visual, living document that sits above my desk. I use it daily to guide my decision-making and measure my success. It works for me, not me for it.

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.

For example:

Vision-led, audience-focused: visionary organisations tend to be led by extraordinary individuals who have a strong feel for their audiences, and can accurately gauge what people are ready for. Alex Poots of Manchester International Festival understands how new art forms can be created by blurring boundaries between high art and popular culture, and has created unforgettably intense experiences by placing performances in surprising venues. At the first festival, 21% of the audience for opera were completely new to the art form, and 27% of the total festival audience had taken risks with art forms they would not otherwise have seen.

Brand-led: Tate is an exemplar 21st century organisation whose work and interactive relationship with its audiences is buoyed by a deeply understood, powerful brand identity that infuses every facet of the organisation.

Outcome-oriented: the British Museum has built visitor outcomes and engagement into its

performance indicators. The number of visitors who arrive at the museum expecting to have a purely social experience yet emerge having been stimulated in an intellectual, emotional or spiritual way is now a measure of success across the organisation. Morris Hargreaves McIntyre are now working with the museum to develop an evaluation system that can measure those visitors who achieve an altered state, an imaginative flight or a time travel experience during their visit.

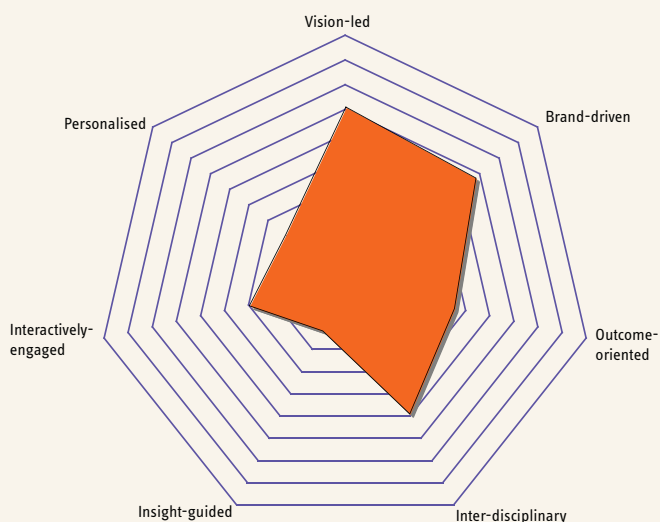
Alan Brown⁸ in the USA has measured the intrinsic impacts on audiences of the performing arts against the similar measures of social bonding, intellectual stimulation, aesthetic growth, emotional resonance, captivation and spiritual value for a range of organisations that included dance, theatre and 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.

The seven pillars

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

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Radar map of seven pillars results



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Interdisciplinary: Bristol's Museums, Galleries and Archives have been engaged in a process of culture change to become a more audience-focused service. This has been manifested in the planning process for the new Museum of Bristol, which is being developed by interdisciplinary teams, informed by audience forums and e-panels.

Insight-guided: the National Maritime Museum is using wide-ranging qualitative and quantitative research, going beyond visitor profile to explore patterns of engagement, outcomes and impact, brand awareness and brand resonance. This insight informs the museum's strategic planning.

Interactively-engaged: Contact Theatre, a pioneering young people's theatre in Manchester, not only gives over its foyer and other spaces for programming by its young audiences, but also involves young people in its planning and decision making. The result is a dynamic, lively social space and an organisation that is genuinely connected with and shaped by its audiences.

Diane Ragsdale highlights another example of interactivity. In 2006, MoMA exhibited 11 videos created by the public in response to an open call, to accompany audio art by avant garde media group The Residents. MoMA then posted the 11 videos on YouTube. The public participated again by voting for their favourites.⁹

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 including the Suggest-o-tron, a web-based gadget which helps attendees to tailor their selection of festival films, encouraging them to take risks by signposting new films on the basis of well-known titles that they have enjoyed before. These services have significantly increased the numbers of films people see at the festival and the level of risk-taking amongst audiences. Audience Builder is a personalised, software-based CRM system developed by Morris Hargreaves McIntyre as a result of psychographic segmentation of live music attendees, and is also designed to build frequency and risk-taking.

Why is it taking so long?

Many of the examples above are drawn from museums. In 1994, we wrote a report saying the development of museums and galleries 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.

15 years ago Morris Hargreaves McIntyre developed Test Drive, a personalised, interactive and audience-focused approach to market development. As we write, the whole state of Queensland in Australia is running the world's biggest Test Drive campaign encompassing almost all performances and venues. The campaign is being repeated by the state of Victoria. In Sweden this year, Malmö Opera has attracted more new attendees through Test Drive than all the Opera companies in the UK put together have attracted in the past 15 years. This company is also the first in the world to fully adopt Audience Builder.

Morris Hargreaves McIntyre work and train internationally, helping organisations in countries including the Philippines, Korea, Vietnam, Hong Kong and Singapore fast-track their arts marketing practice, based on experience from the UK. But in the past three years these 'developing' countries have quickly caught up and overtaken UK standards, having embraced emerging technologies far more fully and creatively than many British organisations. It is now our international clients who are challenging us to develop innovative practice, which we re-import back to the UK.

Time to stand up

Arts organisations in the UK must start using insight to change their culture. They must shift away from assuming that they deliver art to a passive audience. They must personalise their services 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 organisations. 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 audiences, in hundreds of focus groups and thousands of interviews every year, we hear the same message: that the arts can and do transform people's lives. 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 running the 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 build from this conversation we can gain the confidence to liberate ourselves, to make the changes necessary for a sustainable future where our impact is truly felt and widely recognised.



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Notes

- 1 Geoffrey Norris, Daily Telegraph, 17 September 2007
- 2 Danny Newman, *Subscribe Now! Building Audiences Through Dynamic Subscription Promotion*, 1981
- 3 Diane Ragsdale, *Mission: Possible*, AMA day event and AGM 2007, and Move On Up Conference, June 2008, New Zealand
- 4 *Did You Know? 2.0* and *Shift Happens*, yplanevisualthinking, dannybridge, You Tube
- 5 Charles Leadbetter, *We Think: Why mass creativity is the next big thing*, 2007
- 6 Charles Handy in *The Age of Unreason* (1989), referred to the phenomenon of the frog that when placed in water that is slowly heated up passively sits, unaware of its changing environment, and allows itself to be boiled alive – a metaphor for organisations remaining oblivious to or unmoved by the changing world around them.
- 7 Diane Ragsdale, *Mission: Possible*, AMA day event and AGM 2007, and Move On Up Conference, June 2008, New Zealand
- 8 Wolf Brown, *Assessing the Intrinsic Impacts of Live Performance*, January 2007
- 9 Diane Ragsdale, *Mission: Possible*, AMA day event and AGM 2007, and Move On Up Conference, June 2008, New Zealand