CHALLENGES OF DEVELOPING AUDIENCES FOR SYMPHONY ORCHESTRAS IN TWENTY-FIRST CENTURY

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CHALLENGES OF DEVELOPING AUDIENCES FOR SYMPHONY ORCHESTRAS IN TWENTY-FIRST CENTURY

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CHAPTER I
INTRODUCTION

Symphony orchestras have existed in the United States for three centuries. Many brilliant conductors and musicians brought orchestral music from Europe in the early eighteenth century, contributing their talent and passion to nurturing the symphony orchestras in this new world. The proliferation of symphony orchestras has enriched American cultural life. Theodore Thomas, a celebrated conductor in American in the late 19th century, once said: “A symphony orchestras shows the culture of a community…. the man who does not understand Beethoven and has not been under his spell has not lived half his life. The masterworks of …instrumental music are the language of the soul and express more than those of any other arts. Light music, ‘popular’ so called, is the sensual side of the art and has more or less the devil in it” (Mueller 30).

However, as the environment has changed over the past decades, symphony orchestras have encountered new challenges and opportunities in developing audiences. Factors such as changing values and life styles influence behavior and an audience’s perception of classical music concerts. Young people may be less concerned with the significant role of symphony orchestras and concerts in American cultural live and American music history. Declining audiences threaten the future of symphony orchestras. To survive, symphony orchestras must identify these
challenges and adapt their programming and marketing to maintain audiences and to develop new audiences.

This thesis discusses the special challenges in developing audiences in the twenty-first century, and proposes the development of young professional audiences as one possible solution. At the beginning, the historical background and trends of American symphony orchestras will be introduced. Chapter two will examine current challenges in audience development. Chapter three will address the importance of developing young professional audiences as well as analyzing the effectiveness of efforts to reach this audience by two orchestras. The final chapter will propose marketing techniques designed to develop young professional audiences for symphony orchestras.

1.1 HISTORICAL TRENDS IN AMERICAN SYMPHONY ORCHESTRAS

Orchestral concerts took place in what became the United States in the eighteenth century when colonists and immigrants from Europe brought their cultural and instruments into the New World. For example, Moravians in Bethlehem, Pennsylvania in 1741 formed a society to play music by J.C. Bach, Handel, and Haydn. At the same time, amateur and professional musicians started to give regular performances in cities such as Boston, New York, and Charleston. Even in Colonial times, musical programs may have featured several types of music: choral, solo, and orchestral. Orchestras tended to be accompaniment for choral or operatic works, though a concert might include a single movement of an entirely orchestral work. Although efforts were made to establish professional orchestras to play Haydn, and Beethoven symphonies, such early organizations as the Philharmonic Society of Boston, Boston Academy of Music, and Germania Orchestra in New York, lasted only
a brief time, dissolving due to financial difficulty (Butterworth 5-6). In 1842, the first and oldest permanent and professional American symphony orchestra, the Philharmonic Society of New York (known as New York Philharmonic), was established. It was also the third oldest symphony orchestra in the world. By the early twentieth century many orchestras had been founded. These included the Boston Symphony Orchestra (1881), the Cincinnati Symphony (1895), Oregon Symphony (1896), Philadelphia Orchestra (1900), Minneapolis Orchestra (1903), St. Louis Symphony Orchestra (1907), The San Francisco Symphony Orchestra (1911), and the Cleveland Orchestra (1918). The growth of these organizations provided musicians and composers new opportunities to present their high quality of instrumental music, thus enriching the cultural life of the United States. Mueller states:

The most conspicuous single phenomenon in the evolution of this nineteenth-century American musical romance was the rise of the symphony orchestra. Although built on the German model, and although it’s basic repertoire has always been and still is largely Teutonic, it is nevertheless more peculiarly typical of America than is any other phase of serious music; and, similarly, there is no country in the world in which the symphony orchestra carries more prestige than in the United States. In no other country in the world has the symphony orchestra won the priority in status accorded it in the United States. (22-23)

The number of symphony orchestras and concerts grew in the late nineteenth and twentieth century due to philanthropy, a high quality of artistry, successful subscription sales, and education. Philanthropy has played a vital role in the development of symphony orchestras. Many philanthropists in the late nineteenth century devoted passion and fortunes to form or support orchestras. One famous example was banker and music lover Henry Lee Higginson, who founded the Boston Symphony Orchestra in 1881 by contributing a million dollar endowment that...
provided the orchestra a secure financial future. Wealthy patrons such as Andrew Carnegie, J.P. Morgan, Joseph Pulitzer, and Mrs. George R. Sheldon also gave major support to orchestras. Their philanthropic behavior not only provided a degree of financial security, they also significantly influenced other people to become patrons. For example, philanthropist Henry Lee Higginson described his involvement: “I alone am responsible for the concerts of the Symphony Orchestra […] my role is] to pay the bills, to be satisfied with nothing short of perfection, and always to remember that we were seeking high art and not money: art came first, then the good of the public, and the money must be an after consideration” (Kotler and Scheff 5).

“Art came first” was the belief of conductors, musicians, and most audiences as well. From the late nineteenth through the mid-twentieth centuries, conductors contributed to establishing the high quality of symphony orchestras, forming the taste of the public for music, and attracting and developing audiences. Their artistic and personal styles created unique symphony orchestras. Morowitz and Millard states: “American social music slipped into a ‘culture of performance,’ chiefly celebrating great orchestras and conductors, singers and instrumentalist […] The ‘symphony orchestra’ became an American specialty” (2005). For example, Theodore Thomas, the famous German conductor of New York Philharmonic (1877-1891) and Chicago Symphony orchestra (1891-1905), said he was determined to “cultivate public taste for symphonic music by skillfully balancing popular works with the major German repertoire” (Butterworth 7). He believed that “a symphony orchestra shows the culture of a community, not opera” (Morowitz, and Millard 32). To expand interest in the symphony orchestra repertoire, Thomas arranged orchestra tours throughout the United States and abroad.
In the 1930s, the development of symphony orchestras took another step due to education and the proliferation of the radio. Italian conductor Arturo Toscanini introduced new elements to the New York Philharmonic. Traditionally playing in a “Germanic” style, Toscanini created a lighter “Italian” sound. In 1937, NBC established its own symphony orchestra specifically to take advantage of the new cultural emphasis in radio broadcasting. Toscanini was invited to conduct this orchestra which he did with great success. In addition, the study of music and the arts became part of the curriculum in all major universities. The growing prevalence of music education in schools, and the radio broadcasts of concerts helped to popularize the symphony orchestra and classical music.

In the 1960s, symphony orchestras and concert life were thriving. A period of relative economic stability and affluence allowed people the luxury of focusing on self-fulfillment. At a League of American Orchestras conference in Washington, D.C. in 1990, David Meer said: “The new values focused on non-materialism and intangibles, and the conformity of the fifties gave way to an open-ended pluralism. This was also the era of proliferation in the arts: smaller towns and cities began to form orchestras and expand season” (14). In the orchestra world, a new star and conductor, Leonard Bernstein, took over the New York Philharmonic in 1958. He increased new music composed by American composers in programs and zealously promoted educational concerts. In his educational series on radio, Leonard Bernstein’s Young People’s Concerts, Bernstein gave the audience a whole new concert experience which deeply influenced music education and symphony orchestras. Corn and Goldblatt assert:

Taking charge of the Philharmonic in 1958, Bernstein cozened it and his audience into a new esprit. Subscription lists were in fact waiting lists. The concept of the festival was revived as an educational device […] Balancing the
classics were pieces by modern composers […] An astonishing longhair success on close-shorn television, Bernstein expanded the Carnegie capacity to a home viewing audience of over thirty million. The contrast between the Old–World Classicism of Theodore Thomas and the New World romanticism of Leonard Bernstein has been played. (36-37)

Also at this time, the subscription specialist Danny Newman proposed a model for a “Dynamic Subscription Promotion campaign.” His approach to marketing boosted the sales of subscription and increased the size of dependable subscription of audiences. Subscription campaigns became the major strategy in audience development for symphony orchestras and other performing arts organizations (Kotler and Scheff 261-262).

Orchestras have grown since the sixties. According to the newest data from the League of American Orchestras, there were nearly 1,800 orchestras in 2006. They performed more than 38,000 concerts in the 2005-06 season and attracted over 29 million people to concerts. However, today, American symphony orchestras confront crises due to the cost of performing, decreasing funding, the decline of music education in schools, and the loss of audiences. From the 1971 to 1991, symphony orchestra expenses increased from $87.5 million to $698.9 million, and an annual industry deficit had increased from $2.8 million to $23.2 million. Although there was a surplus in 2000-2001 season, symphony orchestras suffered from the economic recession in the following season (Dempster 5-8). The high costs of the production and salaries for musicians are hard to balance against decreased funding and declining audiences. In the twenty-first century, symphony orchestras face critical challenges that jeopardize their survival. More than ever, there is a need for symphony orchestras to find possibilities and opportunities to meet urgent challenges.
CHAPTER II
CURRENT CHALLENGES IN AUDIENCE DEVELOPMENT

Symphony orchestras in the United States have struggled with different challenges for decades. Productions are costly, corporate funding is diminished and increasingly competitive, and music education has disappeared from public school curricula due to tight budgets. Added to these challenges, orchestras face a major ongoing crisis in declining attendance for classical music concerts. Symphony orchestras are anxious about decreasing subscription sales, hard to maintain unstable single ticket buyers, and the difficulty of developing potential audiences. This chapter focuses on the challenges of earned income and audience development for orchestras.

In discussing the issue of symphony orchestra challenges in audience development, there are two opposing opinions. Some experts retain an optimistic attitude in regard to the future of symphony orchestras. Some experts believe that symphony orchestras are in trouble now. The optimists believe that symphony orchestras are not struggling in a morass of audience development problems. They argue that people who worry about empty seats in concert halls base their concern on misinterpreted data and negatively biased information from books, reports and journals (Kozinn). Music critic and reporter Allan Kozinn discusses symphony orchestra attendance with optimism: “Has American culture given up on classical music? The numbers tell a very different story: for all the hand-wringing, there is immensely more classical music on offer now, both in concerts and on recordings
than there was in what nostalgists think of as the golden era of classics in America.” He also states: “The 1,800 ensembles give about 36,000 concerts a year, 30 percent more than in 1994 […] Concert halls are sprouting like mushrooms. New symphony halls are about to open in Miami, Nashville and Costa Mesa, Calif. (not far from the newly opened Disney Hall in Los Angeles), and Toronto is opening a new opera house in September. Clearly, someone sees a future for this music” (1-2). In addition, high technology products such as computers, the internet, or Apple i-Tune allow everyone download classical music from websites around the world. In 2005, the number of downloaded classical music albums grew by 94 percent, while CDs sales decreased by 15 percent (Kozinn; Bernstein 7). Classical music resources have never been easier to access.

However, one cannot neglect the fact that some symphony orchestras have collapsed in the past decade due to budget deficits, shrinking funds, and loss of audiences. The trend in overall audience attendance has shown a decrease since 1982. Attracting traditional audiences to concerts and developing new audiences are still challenges for most symphony orchestras. Published in 1997, *Who Killed Classical Music?* by author Norman LeBrecht stated: “Wherever you looked, audiences were collapsing, state funding was begrudged, corporate sponsorship was dwindling. Society was shifting its resources to new needs […] The core for its existence, the nightly live performance of western masterpieces, was being mercilessly eroded as the public pursued less taxing and cheaper diversions” (18). In the 1990s, several major ensembles and orchestras went out of business in cities including Oakland, California, New Orleans, Denver, and Birmingham (Walsh, and Levy 52). Some major orchestras also declared bankruptcy. These included San Jose Symphony, Florida Philharmonic Orchestra, Colorado spring Symphony, San Antonio Symphony, and the
Tulsa Philharmonic. Reasons given for these bankruptcies included recession, unsuccessful programming, failed strategies for audience development, and general financial “trouble” (Kolb 10-12, 37; Oestreich 1-3).

The National Endowment for the Arts (NEA), in association with the U.S. Bureau of the Census, conducted a *Survey of Public Participation in the Arts for 2002* (SPPA). These studies provide a picture of trends in arts participation over a twenty year period. It should be noted that although the *SPPA* survey is an on-going and comprehensive national survey on arts participation based on a similar outline of questions, there is a slight difference of methodology among the 1982, 1992, and 2002 surveys. First, the 1982 to 1992 *SPPA* study was sponsored by the National Crime Survey. The *2002 SPPA* survey was part of the Current Population Survey. Second, the 2002 *SPPA* remained consistent in its questions from the 1982 to 1992 survey, but in 2002 added a few questions about participation in the arts though the use of new media such as the internet and DVDs (*SPPA* 1)

These *SPPA* data were collected to identify trends in changing arts participation by looking at attendance at live performances and events; accessing the arts through media such as broadcasts, recording media and the internet; and personal participation in arts. The result of data also explores variations influenced by demographics such as age, income, education, gender, and race. The total sample size of respondents was 17,254 in 1982, 12,736 in 1992 and 17,135 in 2002.

From the surveys, one finds that the percentage of adults in the United States who have attended arts performances or exhibitions in general increased from 39 percent of the population in 1982 to 41 percent in 1992. This percentage of participation had dropped back to 39.4 percent by 2002. Although the actual number of people participating in arts seems to have increased in the past decades, this rise is
most likely due to the increase in population. Table 1 with information from the SPAA survey indicates that attendance for most “benchmark” arts activities has declined in United States. This decline reflects the fact that although more people are attending, the number of arts organizations has increased to the point that the dependable arts audience is being spread out over more organizations. Table 1 shows more specific participation rates in different arts activities. Comparing 1982, 1992, and 2002 data, it is clear that attendance at most arts activities declined. The exceptions were attendance at arts museum, non-musical plays, jazz, and opera. The most significant decreases are evident in arts and craft fairs, and historic sites. Musical plays and the ballet show a slightly lower rate of decrease in attendance.

It is important to note that classical music not only has a comparatively small audience, but also is in the top third of declining attendance. Classical music attendance decreasing from 13.0% in 1982, to 12.5% in 1992, to 11.6 % in 2002. In addition, audiences participate in classical music through television, radio, and recording has significantly declined from 1992 to 2002.

<table>
<thead>
<tr>
<th>Event Type</th>
<th>1982</th>
<th>1992</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classical Music</td>
<td>13.0%</td>
<td>12.5%</td>
<td>11.6%</td>
</tr>
<tr>
<td>Jazz</td>
<td>9.6</td>
<td>10.6</td>
<td>10.8</td>
</tr>
<tr>
<td>Opera</td>
<td>3.0</td>
<td>3.3</td>
<td>3.2</td>
</tr>
<tr>
<td>Musical Plays</td>
<td>18.6</td>
<td>17.4</td>
<td>17.1</td>
</tr>
<tr>
<td>Non- Musical Plays</td>
<td>11.9</td>
<td>13.5</td>
<td>12.3</td>
</tr>
<tr>
<td>Ballet</td>
<td>4.2</td>
<td>4.7</td>
<td>3.9</td>
</tr>
<tr>
<td>Art Museums/galleries</td>
<td>22.1</td>
<td>26.7</td>
<td>26.5</td>
</tr>
<tr>
<td>Art/craft fairs/festivals</td>
<td>39.0</td>
<td>40.7</td>
<td>33.4</td>
</tr>
<tr>
<td>Historic Sites</td>
<td>37.0</td>
<td>34.5</td>
<td>31.6</td>
</tr>
<tr>
<td>Any Benchmark Activity</td>
<td>39.0</td>
<td>41.0</td>
<td>39.4</td>
</tr>
</tbody>
</table>

Source: 2002 Survey of Public Participation In Arts, 2.
The decline of audiences participating in classical music performances also reflects education. According DiMaggio and Mukhtar, arts attendance has declined in almost all age groups among the highly educated (Tepper, and Ivey 286-291). In theory, education is a high indicator for likely participation in classical music concerts. People with college degrees attend classical music concerts more often than the people whose highest level of formal education is high school.

However, the question arises: has classical music concert attendance increased as the percentage of people in the United States who go on for higher educations is increasing? DiMaggio and Mukhtar provide data showing trends in attendance rates for 1982, 1992, and 2002 in relation to respondents with four or more years of higher education. Table 2 indicates that participation rates for classical music concerts declined from 33% of the population in 1982 to 25% in 2002. This represents an actual audience drop of 30 percent in twenty years. DiMaggio and Mukhtar express concern that if the percentage of people with college or university educations has declined, high school graduates participating in arts will be getting lower even faster. (Tepper, and Ivey 291).
Table 2
Attendance Rates of People Having Completed Four Year of Higher Education

<table>
<thead>
<tr>
<th>Event Type</th>
<th>1982</th>
<th>1992</th>
<th>2002</th>
<th>Percentage Odds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classical Music</td>
<td>0.334</td>
<td>0.284</td>
<td>0.259</td>
<td>-30.3</td>
</tr>
<tr>
<td>Jazz</td>
<td>0.190</td>
<td>0.221</td>
<td>0.209</td>
<td>12.6</td>
</tr>
<tr>
<td>Opera</td>
<td>0.082</td>
<td>0.083</td>
<td>0.079</td>
<td>-4.0</td>
</tr>
<tr>
<td>Musical Theatre</td>
<td>0.411</td>
<td>0.328</td>
<td>0.326</td>
<td>-30.7</td>
</tr>
<tr>
<td>Play(not musical)</td>
<td>0.307</td>
<td>0.286</td>
<td>0.255</td>
<td>-22.7</td>
</tr>
<tr>
<td>Ballet</td>
<td>0.107</td>
<td>0.102</td>
<td>0.090</td>
<td>-17.5</td>
</tr>
<tr>
<td>Art museum</td>
<td>0.492</td>
<td>0.517</td>
<td>0.505</td>
<td>5.3</td>
</tr>
<tr>
<td>Art or craft fair</td>
<td>0.632</td>
<td>0.575</td>
<td>0.501</td>
<td>-41.5</td>
</tr>
<tr>
<td>Historic site</td>
<td>0.674</td>
<td>0.568</td>
<td>0.530</td>
<td>-45.5</td>
</tr>
</tbody>
</table>

Source: Tepper and Ivey, 287.

It is also important to note the fact that audiences participating in the classical music through TV, radio, and recording have diminished as well since the mid-1990s. Data from the 2002 SPPA shows that the number of adults who participate in classical music through alternative media has declined: in TV, VCR, and DVD, from 26.0% in 1992 to 18.1% in 2002; in radio from 31.0% in 1992 to 23.9% in 2002; and in audio recording, from 24% in 1992 to 19.3% in 2002 (Table 3).

Table 3
Percent of Adults Participating in Classical Music Through Media in the U.S.

<table>
<thead>
<tr>
<th>Media Type</th>
<th>1982</th>
<th>1992</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>TV/VCR/DVD</td>
<td>25.0</td>
<td>26.0</td>
<td>18.1</td>
</tr>
<tr>
<td>Radio</td>
<td>20.0</td>
<td>31.0</td>
<td>23.9</td>
</tr>
<tr>
<td>Audio Recording</td>
<td>22.0</td>
<td>24.0</td>
<td>19.3</td>
</tr>
</tbody>
</table>

Source: 2002 Survey of Public Participation in the Arts, 22.
A classical music radio programming report from the NEA also points out that the number of commercial classical stations has dropped 30% since 1998. The listeners of classical music radio have dropped 26% as well (Iyengar and Nicholes 2). Broadcast or classical music programs from television, radio, and recording are considered as marketing tools to develop broader audiences, creating awareness and familiarization of classical music in order to stimulate and enhance the possibility of attracting people to live concerts. Although the audience participating in classical music through the media does not completely correlate to audiences participating in classical music by purchasing tickets, the relationship between both is close. There is evidence that media will significantly influence the listener’s habits and attitude for the long-term audience development (Iyengar and Nicholes 1-5).

SAAP reflects trends related to audiences attending classical music concerts as a whole. The League of American Orchestras reports on concert attendance from the 2000-2001 season to the 2005-2006 season focuses specifically on orchestra attendance. In the 2000-2001 season, there were approximately 1,200 orchestras in the United States, presenting 36,437 concerts. The next season, the number of concert attenders declined 3.9%, and by the 2002-03 season audiences had declined from almost 30 million in 2001-02 to 28 million. Meanwhile, the number of orchestras has been increasing. In the past three seasons, the number of orchestras in the U.S. has increased to more than 1,800 providing nearly 38,000 concerts. The question is whether audiences have increased as the number of orchestras and concerts increase. According to the League of American Orchestras, orchestras performed more than 36,000 concerts in the 2003-2004 season for 28 million people. In 2004-2005 there were more than 37,000 concerts playing to the nearly same numbers of people. Moreover, the previously SAPP survey indicates audience attendance in classical
music concerts has steadily declined since 1982, while the number of performances has steadily increased. Though the newest data from League of American Orchestras show that in the 2005-2006 season orchestras performed more than 38,000 concerts to 29 million attendees, supply is still greater than demand in the classical concert market now (Snead 46). Orchestras still face the challenge of attracting audiences to fill empty seats.

What are the facts that have caused audience attendance in classical music to decline in the past decades? Three specific challenges to orchestras in regard to concert attendance are declining numbers of subscribers, aging audiences, and issues related to the decline of arts education in public schools.

2.1 DECLINE IN SUBSCRIPTION SALES

Sales of subscriptions have provided arts organizations with a method of building up their patron bases, guaranteeing income, and creating a context in which to develop a loyal relationship and potential donor base for decades. Since the 1960s, Danny Newman, the consultant and subscription specialist of The Theater Communication Group (TCG), has promoted his “dynamic subscription promotion (DSP)” campaign to help many theatres, dance companies, and orchestras successfully develop audiences and increase their subscription bases (Bernstein 210). In his famous book, Subscribe Now!, Newman describes subscribers as “Saintly” (15). He states: “The subscriber is our ideal. In an act of faith, at the magic moment of writing the check, he commits himself in advance of the season’s beginning […] he has made this initial judgment in our favor, he believes in us from that point on. He arrives at our auditorium with a positive attitude” (17).
Season subscription is regarded as the most valuable marketing strategy in long-term audience development plans for arts organizations. Loyal subscribers are a safety net for arts organizations. They are not only the guaranteed audiences, they are also guaranteed revenue. Subscribers paying the season ticket price in advance help an organization “to even its income flow during the off-season and/or to earn interest through short-term investments” (Kotler and Sheff 263). Moreover, a solid group of subscribers is beneficial in bringing friends and families to participate in arts activities (Bernstein, 211).

Loyal subscribers are also the best resource for contributions. According to a survey conducted by four major arts organizations in San Francisco in 1996, 67% of subscribers report that they make donation to the symphony orchestras. Eight-eight percent of subscribers reports that they make contribution to opera (Sheff 25). Those loyal subscribers attend performances regularly, understand the organization’s history and mission, and build up personal relationship with it. As Newman said: “He (the subscriber) is a very important man to us. He underwrites our right to experiment. And once he comes to understand our economic dilemmas, he will often send us contribution checks. He provides the based for our expansion.” (Newman 17).

Indeed, season subscription sales created a golden age of audience development in arts organizations during the 1960s to 1980s. The development of subscription strategies has benefited arts organizations, and provided them with opportunities to increase the size of their audiences significantly. For instance, the New York City Ballet implemented its subscription campaign and attracted 28,000 subscribes in its first season in 1966 (Kotler and Scheff 262). However, subscription sales began to decrease in the 1990s. In theatre, the ticket revenue from subscription sales has decreased from 58 percent of tickets available in 1988 to 56 percent in 1992.
A survey by the Theater Communications Group in New York City indicated that “between 1988 and 1992, single ticket income grew 35 percent while subscription income only grew 27 percent” (Brightman 24). “Theatre Facts 2001” states again that, “over the last five years, the subscription base has dropped substantially” (“Subscribe and Then” 52).

Symphony orchestras, which heavily rely on the sales of subscriptions for earned income and need subscribers to fill the seats for every concert, face the same problem as well. Music reporter Midgette states in The New York Times, “All over the Western world, the alarm is sounding that classical music is in trouble. Orchestra subscription sales are dropping widely, in some cases by as much as two percentage points a year.” Baltimore Symphony’s subscription sales dropped five percent in 2002 (Pogrebin). Statistically, data from the nation’s twenty-five largest orchestras indicate that the number of subscribers declined from 95 percent in 1984 to 75 percent in 2007 (Snead 46). The dwindling sales of subscription not only affects larger orchestras, it has a profound impact on mid- and small-size orchestras as well.

The challenges that orchestras face to increase renewal subscribers and to attract new subscribers vary by geography and demography. Yet, three primary reasons for decreasing subscription sales appear to be universal.

First of all, there are large numbers and varieties of entertainments and cultural activities competing for limited consumer leisure time and money. During the period between the 1960s and the 1980s, attending concerts, operas, and theater may have been the major choices adults had for cultural entertainment. Today, the barrier between popular culture and “benchmark” cultural events has becomes obscure. Live performances compete with more varieties of entertainment—not just “non-classical” genres of music, dance, and theatre, but with such things as sporting
events, film, television and computers. Kolb makes the point that orchestras not only compete with the entertainment companies, they must also compete with other cultural activities for a very similar segment of consumers (1-2). Technology also has added challenges. To its credit, technology has shortened the distance between different countries and cultures. But for the lively arts, it has created a population that values shared cultural activities less. As each generation becomes more technologically advanced, the tradition of going to the concert hall becomes weaker. Customers have a vast amount of selections for entertainment. With many choices, but limited time and budgets, consumers may choose to participate in other entertainments rather than buying subscriptions to orchestras.

Second, lifestyles have changed dramatically over the past decades. Customers tend not to plan in advance and are unwilling to make long-term commitments. A 2003 survey of the Classical Music Consumer Segmentation Study Final Report conducted by the John S. and James L. Knight Foundation shows: “Nationally, 52 percent of the large base of potential classical consumers plan 10 days or less in advance of an activity, while 23 percent like to plan several weeks in advance, and 26 percent like to plan a month or more ahead of time […] Only half of subscribers to the 15 orchestras say that they typically plan their leisure activities a month or more ahead of time” (Audience Insight LLC 117). While a subscription package traditionally requires consumers to buy tickets for the year before the season starts, most modern customers are not willing to plan their schedules in advance, making subscription packages unattractive. Furthermore, consumers, particularly those in the young professional cohort group, are busy with work, family and a variety of social activities. Their busy schedules make it impossible for them to plan in advance for a season with ten concerts. Marketing research conducted by four major
performing arts organizations in San Francisco presents the top reason subscribers attend fewer symphony orchestra concerts or stop subscribing as being: “Difficulty scheduling in advance” (Scheff 22). In 2004, the Akron Symphony in Ohio sent a survey to former subscribers who had discontinued their subscriptions in the past five years. The results of the survey revealed that the major reason people did not renew their subscriptions was “Less time to attend.” The result of this reality is that many dependable subscribers become less dependable single ticket purchasers.

Third, ticket price becomes a critical issue for customers deciding whether to purchase the subscription package or to wait and buy single tickets. Orchestras struggle with both high expenses and the challenges of developing sources of contributed income. Renting or maintaining a concert hall, paying high salaries to conductors, musicians, and stagehands, and paying other expenses, make concerts costly to present. For example the Boston Symphony Orchestras 990 form for 2005 indicated that compensation for the Concertmaster, was $353,820, followed by the $232,420 salary of the Principle Oboe (guidestar.org).

As more and more concerts are presented each year, the costs and the challenges of increasing contributions force orchestras to increase their ticket prices. Between 1985 and 1995, ticket prices increased 70 percent on average (Dempster 14). Increased ticket prices may be essential for orchestras to balance their budgets, but they obviously inhibit subscribers and single ticket buyers from attending concerts, increasing the challenge of attracting new audiences (Scheff 16). Although some studies indicate that ticket price is not a major deterrent for loyal subscribers who have higher income, high ticket prices do affect new subscribers and renewal subscribers.
The San Francisco study found 21 percent of orchestras subscribers “Unwilling to pay ticket prices,” and “Unable to pay ticket prices,” making price the third most common reason for reduced subscription sales and attendance at concerts (Scheff 22). The Audience Motivation Research Project (AMR) conducted by the League of American Orchestras in 2001, also identified “Tickets cost too much” as one of the top three inhibitors to orchestra concert attendance, most significantly with younger audiences. “Young Professionals” are at a time in their lives when financial resources go first to establishing careers, starting families, and purchasing homes. Ticket pricing is a particularly important consideration for this group.

In addition, single ticket buyers are more sensitive about ticket prices than subscribers. The AMR report analyzes and compares subscribers and single ticket buyers as to inhibitor to attending concerts: “Single ticket buyers were seven times more likely to say “tickets cost too much” (League of American Orchestra, AMR Summary 7). Because single ticket buyers are the priority group orchestras focus on when marketing subscription packages, and subscribers are the most likely group to make charitable contributions, the impact of ticket prices cannot be overestimated.

Finally, orchestras must consider the value of effective communication with audiences. A successful marketing strategy relies on an effective communication mix of messages, communication channels, and promotion plans. (Kotler and Scheff, 299-319). When orchestras want to attract audiences to their product, price, promotion, or facilities, they need to inform, persuade and educate. Sending effective messages through advertising, direct mail, telemarketing, and, more recently, the internet to promote interest and to make sales is critical. Increasingly, symphony orchestras are building sophisticated websites to communicate with their audiences—searching for effective ways to gain the attention of potential audience members, hold their interest,
and then trigger their desire to purchase subscription packages or single tickets more than once. If symphony orchestras neglect to identify their audiences, create the right messages, and choose appropriate channels to communicate with their target audiences, they not only waste time and money, they also lose their audiences.

2.2 THE ISSUE OF AGING AND YOUNGER GENERATION VALUES

Another challenge of declining audiences is the issue of age. The 2002 SAAP report shows the majority of live classical music audiences are between 44 and 54 years of age. The League of American Orchestras indicates that half of attenders at traditional classical concerts have an average age of 55 years. The Classical Music Consumer Segmentation Study in 2003 indicates “Among ticket buyers in the 18-34 age cohort, 15 percent are highly inclined to subscribe, compared to 56 percent of those aged 75 and older” (12). Kolb analyzes the SPPA survey from 1992 to 2002 and argues younger audiences, aged 18-34, attending classical music have declined from 29.2 percent in 1992 to 22.8 percent in 2002 (56). Those studies and surveys confirm the fact that subscribers and concertgoers tend to be ageing, and younger people are not being attracted to concert halls at the rate the older patrons are being lost. At the same time attracting younger audiences to concert halls becomes more challenging, the dependable older audience is “aging out.” Who is going to fill the seats in concert halls in the future?

Some experts argue that new audiences will fill the gap and become regular concertgoers or loyal subscribers as they get older and move into that magic “older with higher education and higher income” cohort group. These people feel that orchestras overemphasize concerns about the age issue. Yet, audiences make decisions to attend the concerts not only based on their education, income, and age;
they are also affected by such things as their environments, personal and social values, and attitudes. People form their values and attitudes though experience, education, and family and peer influences. Well established values and attitudes are not easy to change and they will become a major factor in determining how discretionary time and money is spent. (Kotler and Scheff 67-82; Kolb 55-65). The life styles and values of young people in the 1990s were different from those who grew up in the 1960s or 1970s. Because appreciation for classical music and attending symphony concerts has decreased over the last four decades, it is unreasonable to expect the people who formed their values and attitudes during those years will automatically have enthusiasm for classical music and become subscriber or regular attenders in the future. In short, the aging audiences will become a tremendous challenge for orchestras in long-term audience development.

2.3 DECLINE MUSIC EDUCATION IN PUBLIC SCHOOLS

The decrease in music education in public schools in the United States creates other challenges. David J. Elliott, a notable music educator and scholar says:

Music programs in schools provide an effective, enjoyable and authentic way of enabling students to achieve rich cultural understandings, including cultural self-understanding, self-identity, self respect and, therefore, a sense of tolerance for themselves and others. Since schools today are concerned with preparing students for life and work in pluralistic societies, and since stands to reason that schools should support the rich0 and enjoyable multicultural learning experiences that inhere in school music programs that induct children into a variety of music –cultures through active music-making. (Elliott and Fowler 41)

Other studies also point out that, generally, people who are exposed to rich art education as children are much more likely to have a life-long participation in the arts (Kotler and Scheff 513-529).
The national trend is that minutes devoted to music instruction each week is declining. Although there is evidence that art education should be part of the core curriculum in public schools—equally important as other subjects such as mathematics, science, literature, foreign language and athletics—schools facing limited resources in funding, time, and personnel, and driven by standardized test goals, are forced to prioritize, often choosing other subjects over music and other arts. In 1993, Charles Fowler pointed out, “During the past 30 years, the time allotted to general music in small elementary schools has decreased by 25 percent; in large schools more than 29 percent, from 75 minutes per week in 1962 to 53 minutes per week in 1989 [...] Instrumental instruction has declined severely: 30 percent in wind and percussion and 40 percent in strings” (Elliott and Fowler 5).

In addition, the education act of No Children Left Behind (NCLB), passed by Congress in 2001 and signed by President George W. Bush in 2002, has had a profound impact on arts education. Recently, many educational reports suggest that the Act will decrease even further the amount of arts education in public schools and reduce the importance of music education. This is in spite of the fact that No Children Left Behind—the new vision of the 1965 Elementary and Secondary Education Act—outlines an agenda for reforming American education, assuring every child an education for success, and determining school accountability for academic achievement, that includes art education—including music—as one of the ten "core academic subjects" in public schools (Nea.gov; Americansforthearts.org).

A study from the Center on Education Policy in 2008 listed on the Americans for Arts website indicates: “Among the school districts that reported both increasing time for English language arts or math and reducing time in other subjects, 72 percent indicated that they reduced time by a total of at least 75 minutes per week for
one or more of these other subjects.” The report goes on to say, “Among districts that reported a decrease in instructional time since 2001–2002, 23 percent reported decreasing total instructional time for arts and music by 50 percent or more below pre-NCLB levels—greater than social studies, science, and physical education.” (Americansforthearts.org).

Music education in the State of Ohio reflects these national trends. A survey of music education in Ohio’s 246 majority public schools conducted as part of a doctoral dissertation at The Ohio State University shows that 71 percent of respondents indicate that the music program is the lowest ranked among the six core subjects. The study also finds that the “60 percent of principals expect their music teachers to devote a portion of their instructional time to other subjects, specifically reading and mathematics.” The conclusion of the report is that “43% of music programs have become weaker in the era of No Child Left Behind” (Gerrity 47-84). This fact, combined with the fact government consistently cuts the funding of Arts in Education programs, makes the future of music education even more serious. Diminished music education in elementary and publish high schools, and the impact of No children Left Behind Act must be a vital concern for symphony orchestras. Acknowledging that the earlier and more consistently children are exposed to music education and music experience, the more likely they will be to appreciate classical music and become the ticket buyers, many orchestras have taken on the role of educator and have developed successful and flourishing outreach programs to educate the children and younger audiences. However, to fully develop an appreciation for the arts requires comprehensive and long-term education. Few orchestras have the financial and time resources to fill in the gap in the public school curriculum.
All symphony orchestras face similar challenges in terms of audience development: declining participation in live classical music concerts, decreasing subscriber bases, the aging of traditional audiences, changing values related to classical music in different generations, and the diminishing of music education in public schools. Shrinking audiences not only reduce earned income, which accounts for nearly 40 percent of total revenues, they also influence the prospect of fundraising. If a symphony orchestra cannot attract audiences, it will lose potential individual donors and lose attraction for institutional donors.

These challenges are particularly threatening to medium sized and small symphony orchestras without substantial endowment. Larger symphony orchestras with substantial endowments, and long established reputations, may not be struggling with survival problems now. Yet, in the long-term, if trends continue as they are now, they, too, will face the same future as small size orchestras. The result could be that, in the words of Michael Walsh and Levy Daniel, symphony orchestras become “cultural dinosaurs” (Walsh, and Daniel 52). It is important to recognize the challenges, identify the problems, and rethink marketing strategies.
CHAPTER III

YOUNG PROFESSIONAL AUDIENCE DEVELOPMENT

3.1 UNDERSTANDING THE YOUNG PROFESSIONAL AUDIENCE

Audiences are vital elements of the performing arts. Composers create great symphonic scores that communicate their ideas with audiences through symphony orchestra performance. Without audiences, the creativity of art works by artists is not completed (Hill, O’Sullivan, Catherine and O’Sullivan, Terry 36). Audiences are also critical resources for the box office income and charitable contributions on which symphony orchestras, and all artistic endeavors, depend. The development of vigorous and sustainable audiences is particularly critical for symphony orchestras while they face the challenges of the 21st century.

To address this marketing challenge, symphony orchestras not only target current customers and strive to build loyalty, they also cultivate potential audiences by developing programs and opportunities that will appeal to segments of the population less likely to attend music performances (Bernstein 25; Hill, O’Sullivan, Catherine and O’Sullivan Terry 37-40). Symphony orchestras have been relatively successfully at developing and adopted marketing strategies that help to reach goals related to maintaining loyal subscribers, older audiences, and children. However, those loyal older audiences are withering, and the outcomes of cultivating children are an investment in the future. Who will fill the seats in the concert hall today? Who is
going to fill the gap between the older generation and the children whom one hopes will make up audiences in the future? Young professionals may be the answer for symphony orchestras.

Young professionals are a large potential audience base that can be treated as a target segment when symphony orchestras develop new audiences. Bernstein indicates: “Young adults, those born between 1965 and 1980, number fifty million in the United States and make up 17 percent of the population. They have vast amounts of discretionary income—$125 billion annually—to spend on cars, entertainment, travel, computers, and clothes” (Bernstein 31). This existing cohort of potential consumers could be the prime market for symphony orchestras to address to solve urgent attendance problems.

When exploring this solution, it is important to understand that cultural and social factors influence values and attitudes. As discussed in Chapter Two, in today’s cultural environment changes, audiences, especially younger audiences, may not see the important value of attending live classical concerts. Computers and other advanced technology, popular cultural, and many entertainment options overwhelm young people’s busy lives and limited leisure time. It is difficult to get them to consider classical music concerts an important and necessary part of their lives. Younger audiences have less opportunity to experience and cultivate an appreciation of classical music and live concerts, making it less likely that they will automatically become subscribers and concertgoers as they get older. Symphony orchestras must play a more aggressive role in developing those young professionals and attracting them to attend concerts.

To plan effective marketing strategies, orchestras need to understand the characteristics of young audiences. According to the League of Symphony Orchestras
in its *Audience Motivation Research Project* (AMR), most “Culturally Aware Non-Attenders” (CANAs) fall into the younger (18-34) and middle-age (35-54) range. They tend to have “less postgraduate work or degree[s], less income and more family members than concert attendees.” Based on AMR report, Rebecca Winzenried also defines CANAs as, “Adults who have not attended a classical concert in two years, but who have gone to other performing arts events, museums, or art galleries […] is 43 years of age (compared to 57 for the average orchestra audience member) […] These young to middle aged adults have an interest in things cultural…. While CANAs often mean to go to concerts, they just don’t get around to it.” She also points out that the major inhibitors to concert attendance for CANAs are: “difficult to find the time, difficult to make a commitment, tickets cost too much” (26-27).

Another major attendance obstacle for younger audiences is lack of awareness – both in terms of marketing messages and in terms of knowledge about performing organizations in general. They also report being “Uncomfortable if [they] don’t know how to act at them” (League of American Orchestra, AMR). In addition, the younger audiences do not see attending classical music concerts as “fulfillment of your duty to the community and the arts” (League of American Orchestra, AMR). According to AMR reports, the strongest motivators for CANAs are: “Classical orchestra concerts are relaxing” and “Going to classical orchestra concerts can be romantic.”

Socializing with friends is an important motivator for this cohort. Alan Brown points out that younger audiences make ticket purchasing decisions based on social elements and attached social events. “Younger classical consumers, Knight Foundation research suggests, are more likely to attach importance to the social aspect of attendance, especially if they are not familiar enough with classical music to select
programs based on repertoire.” He goes on to say: “The social promise, although
tangential to the music, might be what triggers attendance” (6).

Furthermore, young professionals heavily depend on computers to research
information, read news, and purchase tickets. According to the 2002 Survey of Public
Participation in the Arts (SPPA), 109 million adults use the internet. The 18 to 24
years old group has the highest reported rate for using the internet to participate in arts
activities. Goldstar Events, a ticket-purchasing website company in California,
provides people with opportunities to order on line half price tickets to live
performances. Of its 315,000 members, two-third are under 45 years of age. A
Goldstar Event survey found that these people tend to: “Prefer buying tickets online,”
“Own iPods and prefer purchasing songs on at time to buying entire albums,” “Trust
Web site user reviews far more than print-media reviews by ‘major local columnists.’”
“Feel little or no ‘sense of obligation to support important arts and cultural institutions
with ticket dollars’” (Teachout 15-16).

In fact, many orchestras, after identifying and understanding this target
audience, have tried to cultivate young professionals through special projects or
unique marketing strategies. It is useful to analyze the efforts of two symphony
orchestras which different in size and history, are located in differing geographical
regions, and have taken different marketing approaches to develop a young
professional audience.

3.2 “RHAPSODY IN BREW,” NEW JERSEY SYMPHONY ORCHESTRA

Located in Newark, New Jersey Symphony Orchestra (NJSO), officially
founded in 1922, is one of the premier symphony orchestras in New Jersey. Its
mission is to “commit with equal passion to artistic excellence and engagement with
our communities.” To fulfill this mission, acclaimed maestro Neeme Järvi, music director and conductor, currently leads the NJSO in presenting nearly seventy subscription concerts. These include classical concerts, pops concerts, and family concerts presented to audiences in seven different venues across North New Jersey. Considered a “large” symphony orchestra with an annual operating budget of around $14,000,000, the NJSO has had success reaching its sales goal of subscription packages in 2006-07 season by modifying its marketing strategies. Building on its successful 2006-07 season, NJSO announced a 2008-09 season designed to bring even more excitement for audiences. For example, the NJSO will increase the number of the performing venues to include the Paper Mill Playhouse in Millburn, NJ. There are also plans to change the format of performances based on audiences behavior in different venues. These changes include shortening the length of performances, starting concerts earlier in order to adjust to busy schedules, and presenting a “best of …” series with lower prices to attract audiences. As CEO Andre Gremillet states: “We want to make coming to our concerts as attractive in as many different ways as we can, to reach a wider audience by offering wider choices” (Bambarger). Included in the various elements of the NJSO audience development plan, is a young professionals program called “Rhapsody in Brew.”

Established in 2005, the purpose of “Rhapsody in Brew” is to increase ticket sales at Thursday concerts at the State Theatre in New Brunswick. NJSO usually performs two series of concerts, one on Thursdays and one on Sundays in New Brunswick throughout the season. Sunday concerts are always popular; but, there is a sales gap, especially in single tickets sales, for the Thursday night series of concerts. This challenge forces NJSO to conceive a new strategy to attract a larger audience to fill the 1,800 seat State Theatre. After analyzing the market and audiences, NJSO has
discovered that the target market in New Brunswick consists of a relatively large numbers of students and younger customers. Surrounded by major universities and hospitals, including Rutgers University and Robert Wood Johnson University Hospital, New Brunswick has a large potential for developing a young professional audience. For these reasons, NJSO initiated “Rhapsody in Brew” to target young professionals aged 21-39 to fill the seats for Thursday night concerts.

The major idea of “Rhapsody in Brew” is to introduce young professionals to classical concert through socialized activity. “Concerts, Cocktails and Connections” printed on their post cards and advertising conveys relaxed, fun, and social elements for younger audiences. Audiences who participate in “Rhapsody in Brew” can attend a “happy hour” hosted at Harvest Moon Brewery before the concerts. At these events, Harvest Moon Brewery provides ticket holders with free appetizers and special drinks at low prices. The ticket price which includes admission to the happy hour and orchestra seats for the concert is $25 dollars. Tickets may be purchased through a website, by phone, in person, or one half hour before the event. Marketing Manager Geoffrey Anderson, who is responsible for operating the “Rhapsody in Brew” project, promotes this program by posting information on websites, displaying post cards and flyers, and cooperating with other young professional groups. He also seeks commercial sponsorship to offset overhead.

Moreover, NJSO cooperates with New Jersey Young Professionals, an organization which helps to promote the program through its large member base; and with “Discover Jersey Arts,” a co-sponsored marketing project funded by the New Jersey State Council on the Arts and the ArtPride New Jersey Foundation. “Discover Jersey Arts” helps to promote arts events and bring the awareness of arts activities in New Jersey, including both NJOS concerts and “Rhapsody in Brew.”
The “Rhapsody in Brew” project has been successful in developing young audiences. A marketing survey conducted by NJSO after its first event demonstrated the following important facts. Among twenty-two respondents aged 21 to 35, 66.7% reported hearing of this program through New Jersey Young Professionals, 85.7% expressed a high level of satisfaction about prices, and 76.2% of this target audience had never previously attended NJSO concerts. Respondents reported that the primary reason they attended the concert is that they “enjoy symphony concert/classical music.” The next most common reasons are that they are “interested in meeting new people” and are looking for “something new/different to do.” Most respondents indicate that they had a good experience overall. “Rhapsody in Brew” successfully attracted an audience of 1,620 in the 2004-05 season; but, in the following three seasons, the attendance has fluctuated. In the 2005-06 season, audiences decreased from 1620 to 800. In the 2006-07 season, the audiences increased slightly to 864, and then, dropped to 759 people in the following season. Former Director of Marketing and Audience Development, Nicole Cook says “I think that ‘Rhapsody in Brew’ definitely works. I think that there are elements there combining the social element definitely proven to be something people that age want…our goal initially was to bring in more young professionals and to get people in. We have been successful doing that. If you look at three years ago, there wasn’t anything, and we did not have many young audiences…now we have more.”

Based on the experience in New Brunswick, NJSO expanded the “Rhapsody in Brew” project to another venue, bergaenPAC in Englewood, NJ in 2006-07 season. This project was not as successful as in New Brunswick. Only four tickets were sold, forcing NJSO to cancel the happy hours before the concerts. According to Geoffrey Anderson, the major reason bergenPAC failed is that it was impossible to find a
suitable sponsor and venue for the happy hours. Anderson says: “the program isn’t
cost effective without sponsors. There is no ‘cool’ restaurant to hold the event in like
there is in New Brunswick.” Without sponsors or collaborators, NJSO had to pay all
expenses for producing and marketing the events. In addition, bergenPAC does not
have the potential young professional base found in New Brunswick. Ultimately,
NJSO lacks the money and manpower to develop “Rhapsody in Brew” in both
bergenPAC and New Brunswick. Nicole Cook says: “We have challenges not just
with money, but also resources. This program is time consuming, so it is harder to
focus on this while there are many other projects on hand.” Yet, NJSO continually
recruits new young audiences through this project in New Brunswick by creating a
viral marketing\textsuperscript{1} campaign focused on grassroots or word-of-mouth. NJSO may
explore new possible at different venues in the future as well.

As an innovative strategy, the “Rhapsody in Brew” project in New Brunswick
has been an effective way to attract young professionals. The strengths of this project
are its social element, its low price, successes at securing sponsorship, and a number
of established and recognized organizations willing to collaborate on getting the word
out. Sponsorship provides this project not only with free offers, it also helps NJSO to
promote this project. “Rhapsody in Brew” creates a fun and relaxed opportunity for
young professionals that may change some of their attitudes about classical music
concerts, and provide them different choices for social interaction.

The weaknesses of “Rhapsody in Brew” are limited resources and the lack of a
long-term develop plan. To develop young professionals by creating special events is
costly. The lack of other resource such as time and staff is also a challenge to

\textsuperscript{1} Viral Marketing is a marketing technique to pass a message to person in a variety of
ways including e-mail and word of mouth, and then become a large network. This
term was created by a Harvard Business School professor, Jeffrey F. Rayport, in 1996.
developing this project. In addition, the marketing strategies of “Rhapsody in Brew” project bear re-examination. Although “Rhapsody in Brew” successfully attracts young audiences, it is still challenged to retain audiences and recruit new audiences.

3.3 RED {AN ORCHESTRA}

Rentschler defines organizational innovation in the arts as adopting new ideas and practices, and combining “a production and marketing orientation, with something innovative about it to capture the attention of audiences” (Rentschler 3).

Red {an Orchestra}, a marketing oriented orchestra, represents the idea of innovation to maintain its target audiences and develop more young and new audiences.

Red {an Orchestra}, was founded in 2001 by a group of arts patrons, musicians, and administrators. With an annual budget of $616,000, twenty-five board members, and an administrative staff of five, it was considered a new community orchestra in Cleveland, OH. Led by the Artistic Director and Conductor Jonathan Sheffer, Red {an Orchestra} presented three concerts in a season to meet their mission: “to develop devise musical audiences through innovative programs, which connect music with other artistic disciplines to produce engaging and entertaining performance,” and to implement their goals: “to Redefine orchestral programming, to Redesign the concert experience and to help its audiences Rediscover classical music.” CEO, John Farina said: “We break down the barriers between audiences, music and the orchestra. What we do actually redesigns the concert going experience, redefines what you think of classic music, and allows people to rediscover classical music in different way. That is where the word “Red” comes from…We are different—just the way we are named and the way we look. We have created something that is different from the ground up.”
Red {an Orchestra} set out to refresh the perception of traditional symphony orchestra and concert experiences. It targeted young professional audiences and formulated marketing strategies to meet these audiences’ needs. For six seasons, Red {an Orchestra} successfully drew an average of at least 50% of audiences under the age of fifty. The Use of a marketing mix model to analyze Red {an Orchestra} is useful to comprehend its unique marketing strategies in attracting younger audiences and developing new audiences.

In its product, Red {an Orchestra} presented unique experiences in programming by combining classical repertoire with new elements. Farina says: “Our program is based on what can be exciting, interesting, and unique for the audiences […] If you look around at what has been programmed in Cleveland, there is no other programming like our programming.” To redefine and redesign orchestral programming, Red {an Orchestra} performed new music written by contemporary composers, traditional classical music with added elements, or famous composers’ less familiar pieces. For example, in the opening concert of the 2004-05 season, marketed as “Franz Schubert: Unfinished/Refinished,” Artistic Director and Conductor Jonathan Sheffer presented Schubert’s symphony number eight, entitle “Unfinished,” and seven other famous Schubert’s songs with orchestrated accompaniments, arranged by three different composers. Also introduced were the Cleveland premieres of twentieth century Italian composer Luciano Berio's cello pieces. Moreover, Red {an Orchestra} drew inspiration from other genres such the visual arts, opera, theater, dance, poetry, and literature; often combining other artistic elements in the concerts. Not only did it introduce innovative elements into its programs, Red {an Orchestra} also maintained a high level of performance. On the orchestra’ website, The Plain Dealer music critic Wilma Salisbury commended the
orchestra in 2004, writing, “there's nothing ordinary about artistic director/conductor Jonathan Sheffer's imaginative programming for Red [...] Sheffer and the orchestra gave the piece a fine performance, and the crowd responded with enthusiasm. The program, the first of Red's third season, showed that the innovative ensemble is achieving its goal of rediscovering classical music, redefining orchestral programming and redesigning the concert experience for an appreciative and growing audience” (redanorchestra.org).

To enhance the experience of attending its concerts, Red {an Orchestra} cooperated with CoolCleveland.com to have pre-concert parties and related activities. CoolCleveland.com, established by Thomas Mulready, is a website and community network for young professionals to get information about social events and activities in the Cleveland area. CoolCleveland.com associates with different organizations to arrange theme parties for young people. Red {an Orchestra} also cooperated with CoolCleveland.com to attract more young professionals to the concerts. According to Farina: “We use CoolCleveland.com as a good desk. The Cool Cleveland demographic is much younger.” This relationship included the donation of tickets to CoolCleveland.com, and CoolCleveland.com providing an open bar, appetizers, and other entertainment for the party, selling the reasonably priced tickets on their website. Red {an Orchestra} performed at a variety of venues selected, in part, to be appropriate for the themes of concerts. For instance, it performed its last Christmas concert in the St. Stanislaus Church in Cleveland. Audiences had a richer holiday concert experience hearing Schütz’s “The Christmas Story” in the church than they might have in a regular concert hall.

In regard to ticket price, Red {an Orchestra} applied a low price strategy to attract audiences. Subscription package started at $40 for three concerts. Subscribers
enjoyed the benefits of best available seat and the option of securing additional tickets for the next concert in the season. If subscribers purchased two subscription packages, they received two additional free tickets at the same level of subscribers’ seats. This strategy not only keeps prices low, it also encourages subscribers to bring friends, and results in attracting more new audiences. Single tickets could be purchased for as little as $15. Sometimes, Red {an Orchestra} made discounted $10 tickets available to audiences. By keeping tickets affordable, the orchestra reduced the price obstacle which is particularly important to younger audiences.

In its promotion, Red {an Orchestra} adopted approaches similar to other symphony orchestras. These included direct mail, press releases, website, and email communication. Yet, to attract more diverse audiences and younger audiences, it tried some non-traditional ways to develop public awareness of its concerts. For example, Red {an Orchestra} targeted individual organizations and colleges, maintained a high profile at arts or non-arts festivals and activities, and cooperated with other arts organizations and young professional organizations. Farina reported: “We do not buy a lot of ads in newspapers […] I’ll say we almost approach marketing from the prospective of what political campaigns might do.” Administrators and board members actively pursued opportunities to access festivals, occasions, and activities to distribute brochures and to talk to people about the orchestra. They also took advantage of public opportunities to present chamber music performances, particularly if there would be a chance to raise interest and curiosity in people not familiar with classical music.

Cooperation with other arts organizations, corporations, and young professional groups was also a major promotion initiative. For example, Red {an Orchestra} cooperated with different arts organizations to promote events by
exchanging mailing lists; or, in some cases, to involve the collaborative organization in the concerts themselves. To corporations providing sponsorship, Red {an Orchestra} provided discount tickets or free tickets in exchange for free promotion of concerts through in-house employee networks. Furthermore, its association with CoolCleveland.com gave Red {an Orchestra} great opportunities to reach large numbers of young professionals. University and college students were targeted with postcards, email, and offers of free tickets.

Red {an Orchestra} successfully established its brand as being unique, refreshing, innovative, and young—an identification reflected in its logo design, the images selected for its website or distributed to media, and in the style of writing it disseminated to the public. For instance, the orchestra unified its image with three major colors: red, black and white. This color scheme was used in marketing materials such as brochures, postcards; and even in the clothing of the musicians. The orchestra encouraged audiences to participate in events by wearing jeans, red or black colored shirts and T-shirts. In the concerts, Red {an Orchestra} sometimes uses spot lights to project its creative red, black and white logo on the wall and floor of its venues. All these factors emphasize the organization’s commitment to its unique mission, to its programming decisions, and to accessible concert experiences.

Each element was selected to strengthen its brand—the alternative orchestra in Cleveland noted for its youthful vitality. In 2007, CEO John Farina outlined plans to increase the numbers of concerts, board members, and diverse audiences. He also expressed plans to continue to focus on developing single ticket sales, and to continue the commitment to provide unique and exciting programs and concert experiences. Farina says: “Red provides unique experiences. It sets out to create something that will appeal to young audiences or to give them in a new way to think about a classical
music concert.” To face the common marketing challenges facing most symphony orchestras, Farina believes that Red {an Orchestra} had success in adapting to changing environment and consumer behavior. “I’ll say change or die” John says, “The audiences for groups that have older demographics are dying, and they’re having a hard time getting new people in.”

In spite of successful marketing strategies in attracting young professionals, the Board of Directors of Red {an Orchestra} announced in March, 2008, suspension of its operations. They initially cited as a reason that the cancellation of two performances due to winter weather conditions had made it impossible to reach income goals for the season. In the March 22nd issue of *The Plain Dealer*, Red board President Bill Plesec stated, “We had a number of factors coalesce that made for the perfect financial storm. The blizzard that canceled the two concerts in March was really the straw that broke the camel’s back” (Rosenberg). According to Don Rosenberg’s report in *The Plain Dealer* on April 6th, Red {an Orchestra} showed a $35,163 deficit in 2006-07 season, had projected a budget of $616,400 with surplus of $9,830 for the 2007-08 season, and had proposed a $626,400 budget with a surplus of $12,400 for 2008-09. However, the expenses for the last concert in 2007-08 season, declining funds, economic recession, and concert cancellations resulted in Red {an Orchestra} not only failing to meet its financial expectations, but facing immediate financial operating difficulties. Rosenberg also reported that “constant turnover of staff and a risky business model sent signals to funders that the organization was in for trouble...and the lack of an endowment” (Rosenberg).

Though Red {an Orchestra} is ultimately not a success story, its innovative marketing efforts are still a model for other orchestras. In the past six seasons, the organization was successful in established a unique reputation in its community and
had attracted non-traditional orchestra audiences through unique programs and marketing strategies. It developed new ideas for reaching the elusive young professional audience. It brought an alternative classical music concert life to Cleveland, one that clearly appealed to young audiences.
CHAPTER IV
CONCLUSION

4.1 RECOMMENDATIONS FOR DEVELOPING YOUNG PROFESSIONAL AUDIENCES

Young professionals are special and large potential audiences for orchestras. Previous chapters have addressed the importance and urgency of developing this cohort group. Young professionals in the twenty-first century have life styles and values unique from previous generations. Although life style and purchasing behavior may be various and differ by families and regions, some characteristics are universal. For instance, young professionals heavily rely on internet, cell phones, and other high technology products to gain information and to make purchases; they tend not to plan discretionary activities very far in advance; they tend to maintain very busy schedules, adapting to a fast changing environment; and, they tend to look for “something different” for entertainment and to enrich their social lives. For the purposes of this study, it should be noted that they may not see classical music as being related to their lives. Traditional missions and programs of symphony orchestras have a very slight connection with young adults (League of American Orchestra, Americanizing the American Orchestra 3, 10-11). They may not be concerned about the prospect of symphony orchestras disappearing in their communities.
To develop this cohort group as an audience is challenging and costly for symphony orchestras. Yet, if orchestras do not change and present innovation ideas to attract those people, they not only risk failing to fill seats today, but certainly risk losing potential audiences in the future. The essential issue of developing successful marketing strategies to attract this cohort group and increase the frequency of young professional attendance is the need to understand this target segment. Orchestras must do marketing research, and analyze the data gathered before creating a marketing plan. Several basic questions should be answered. Who are young professionals? Where are they? What may raise their awareness of orchestras and their interesting in purchasing tickets to attend? Two cases provided in the previous chapter provide some innovative ideas developed to attract young professionals. This chapter will propose more suggestions regarding ways to attract this elusive group of people.

Recent technologies such as the internet, e-mail, iPods, and iTunes have created new marketing strategies for promoting music performances. In her book *Arts Marketing Insights*, Joanne Bernstein reports, “In 2005, according to Jupiter Research, approximately 66 percent of American adults in the United States, spend on average more than thirteen hours a month surfing the Web. By 2010, the number of adults online is expected to grow to 74 percent” (164). Joel L. Swerdlow describes current young people as “always-on,” which means they connect and communicate with others to get information and products via wireless equipment, cell phone, i-Pod and computer (Tepper and Ivey 223-224). Currently, using the internet, email, and other technologies to reach and attract young people into concert halls is an underdeveloped opportunity. Although most major orchestras have established websites allowing visitors to gain information about concerts, listen to some preview pieces of concerts,
and order tickets and download the program notes, this method of communication will become increasingly important in the twenty-first century.

Websites must be interesting, vivid, and visualized in order to provide visitors with a good exploration experience. The sites must also encourage spending enough time to get to the point that people will push the button to purchase the tickets (Bernstein 167-172). It may be a good idea to place a video icon on the home allowing audiences to connect to a portion of a performance or to someone representing the desired cohort group speaking about their concert experience. The process of purchasing tickets online also should be easy and present the visitor with some promotional incentive to stimulate first the purchase of a subscription package and, second, single tickets.

In addition, the website must provide opportunities to people who visit to join the organization’s email list to receive informational and promotional materials, to forward information and recommendations to friends, and to leave comments. Interactive elements on a web site lead to what is referred to as “viral marketing,” a strategy to encourage people to send out messages through e-mail networks, and eventually through the electronic equivalent of word of mouth. Orchestras can also establish blogs, MySpace, or Facebook sites as tools to communicate with their audiences. These sites cannot simply display the dates of concerts or the history of concerts. They must be interesting as well as informative, they must be constantly updated, and they must encourage visitors to share their opinions in the site, and with their friends. It also may be possible to upload their own music compositions or their favorite music works—adding to the content of a blog. Swerdlow suggests that audiences who participate on the web by creating personal artistic expressions increase their interests of arts and cultural experiences (Tepper and Ivey 228-233).
In addition, symphony orchestras must recognize the importance of the social aspects of performance attendance to younger audiences. For instance, arranging a social gathering or reception before or after concerts adds another level of attraction. “Rhapsody in Brew,” discussed in the previous chapter, is a good example of an arts-related social event designed to attract young professionals. These methods may also include such things as presenting packages around special holidays. For example, orchestras might create a promotional package for two around Valentines Days. The package might include a discount coupon for a romantic dinner before the concerts, two tickets for guarantee seats to access the concerts, two complimentary drinks during intermission, one orchestra CD, and an opportunity to purchase a subscription for the next season at a discount. A variety of presentations could be made for Valentines Days.

A different approach might be: “Valentines Day with XXX symphony orchestra is not only for couples. It is also a great night to spend with friends.” The reason for designing different packages around same holiday is to provide specific messages to attract specific target audiences. Those special events and receptions are not directly related to programming, but these added social activities are important elements to attract young professionals who are seeking to create a night out with friends, to meet new people, or to have something unique for a special occasion.

Perhaps, added to the cocktail type of event, musicians or orchestra personnel could be introduced and be available for mixing with the guests. Or perhaps an ensemble of musicians could play light classical music. The point is to make the event specific to the orchestra—give the people who attend something special they could not get anywhere else. Of course, the cost of such promotional events must be
weighed against potential income; however, the cost must be weighed also against the high cost of developing a new subscriber under any circumstance.

Orchestras also can cooperate with other arts organizations and corporations. Statistically, people who attend any art events, whether they are at museums or performance venues, are more likely to participate in classical music concerts. Collaborate activities or performances with other arts organizations increase marketing reach into the community, attract people who may not be regular orchestra goers, and encourages the exchange of mailing and email list.

Many orchestras cooperate with donor companies to arrange special events for corporate celebrations or annual activities. Because, by definition there is a concentration of the young professional cohort group in large corporations, these events are particularly effective at reaching this target. For instance, “Corporate Night,” a fundraising event established by Chicago Symphony Orchestras, is a particular concert and event for companies that want to have special event for their employees, customers, and clients (cso.org).

In addition to special events, orchestras can provide discount group sales opportunities, subscription packages, or discounted single tickets to companies in return for being able to access potential audiences via internal publications, email, or the dissemination of brochures or postcards. There also may be opportunities to provide outreach programs in corporate settings. These programs might be such things as free classical music appreciation classes, half hour chamber ensemble performances, or an informal talk by conductor for the employees in the host company. Any program such as this should be associated with complimentary or discount ticket promotions.
In promoting subscriptions, all arts organizations, but particularly symphony orchestras should explore alternative packages. The characteristics of the economics, lifestyle, and purchasing behavior of young professionals make mini-packages with fewer performances, or flexible package which do not lock in specific dates more attractive. Of course the standard subscription advantage of discounted tickets and personalized services must be included.

Whatever marketing strategies are employed has an impact on establishing a recognizable brand. Bernstein emphasizes the importance of branding to attracting and building loyalty in any potential market. She says attractive, “Brands […] can enhance our sense of self-identity; articulate and confirm beliefs; change or endorse attitudes and values; influence perceptions, associations, and opinions; and when they act as the deciding factor in purchase choices, influence behavior” (194). The power of brand is that it creates trust and expectation for customers that keeps them returning, and creates an identity for the organization that differentiates it from competitors (Aaker 7-8).

The concept of branding for symphony orchestras is not only about a clever logo. An orchestra brand is established in the programming, the level of artistry, the personalities, and the entire feeling or perception the community has about the institution. Symphony orchestras may not be able to build their brand by spending a million dollars every season like some famous corporations do; and to build a brand without large financial resources is time consuming. Nonetheless, symphony orchestras seeking new audiences may have to define their image and programming to refresh the traditional public perception of classical music concerts. If most young professionals think of classical music concerts is boring—a dinosaur art—orchestras must consider rethinking programming, and developing new marketing strategies.
Red {an orchestra} is an example of an organization that, in a relatively short time, successfully established a brand based on its organization function, mission, and marketing strategies. From its mission, name, logo, language, and printed images, to its music, programs, and concert experiences, Red {an orchestra} established brand equity attractive to new and younger audiences, which placed it in a unique position among other performing arts organizations in the same community.

4.2 CONCLUSION

Orchestras in the United States face the critical challenge of declining audiences in twenty first century. A rapidly changing environment for the arts, and changing values and life styles—particularly among young people—increase the difficulty in audience development. Discretionary leisure time and money is spread thin as the number of arts organizations increase, and they face competition from a wide range of entertainment options. Nationally, the dependable and large subscription base of the last half of the previous century has diminished. Demographically, the current audience for orchestras is aging and a younger audience is not automatically appearing to take its place. Classical music education has decreased in public school curriculum. Add to these issues diminishing sources of contributed income due to an economic slump, and the challenges to the healthy continuation of orchestras become clear.

To face these critical issues, it is necessary for orchestras to abandon the traditional passive marketing paradigm, and to create more innovative marketing strategies. Traditional audiences are important to maintain; however, it is even more vital and urgent to develop new audiences. Among a variety of potential audience segments, young professionals, currently a large potential audience which has not
been completely developed by symphony orchestras, are the best target for symphony orchestras in developing new audiences.

Though there are those who feel that the future of orchestras is still bright, this thesis presents hard evidence of the current challenges in diminishing audiences. It analyzes two innovative programs in different symphony orchestras, and provides some possibilities and recommendations for orchestras in developing new audiences. The successful orchestras in the next decades will be those that strategically address these challenges and take advantage of opportunities to keep a vital audience in our concert halls.


December 12, 2007

Pei-Yi Lin
634 E. Buchtel Ave., Apt. 303
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Ms. Lin:

Your request for exemption for the protocol entitled “Challenge of Developing Audiences for Symphony Orchestras in the 21st Century” was approved on December 10, 2007. The IRB application number assigned to this project is 20071209. The protocol represents minimal risk to subjects and matches the following federal category for exemption:

☐ Exemption 1 - Research conducted in established or commonly accepted educational settings, involving normal educational practices.

☐ Exemption 2 - Research involving the use of educational tests, survey procedures, interview procedures, or observation of public behavior.

☐ Exemption 3 - Research involving the use of educational tests, survey procedures, interview procedures, or observation of public behavior not exempt under category 2, but subjects are elected or appointed public officials or candidates for public office.

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Please retain this letter for your files. If the research is being conducted for a master’s thesis or doctoral dissertation, the student must file a copy of this letter with the thesis or dissertation.

Sincerely,

Sharon McWhorter
Associate Director

☑ Approved consent form attached

Cc: Durand Pope, Advisor
Rosalie Hall, IRB Chair

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