

# TODAY'S ARTS MARKET: THE BIG PICTURE

By Louise Stevens, ArtsMarket, Inc.

Highlights 15 major trends in arts audiences' behavior and resistance to arts activities.

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## **1. Generational Changes and a Dichotomous Market**

Much has been written about the next decade's projected transfer of wealth from the older to younger generation. Community foundations and non-profits are looking to these 10 years as their opportunity of a lifetime to win significant funds, or else wait a generation. The same transfer will happen -- is happening -- in audience participation. The older generation which has been the core arts audience and support base across

virtually all disciplines and genres is rapidly disappearing, being replaced by a younger generation which has vastly different habits, interests, and perceptions.

Added to this is the dichotomous profile of the arts market that has emerged over the past few years; a harbinger of things to come. The new arts market is under age 35, there is a hole in the middle between the empty nester seniors and the new market for the arts. Why? We all waited for the boomers to "grow up and behave like their parents" -- become subscribers, members, repeat attenders. They haven't and, we believe from our research, they won't. Habits are built over time, and consumer behavior is a substantial part of their lives. However, unlike their parents, they consume the arts more selectively, less frequently, and on their own terms. They aren't a strongly invested arts market.

The hot arts market is the post-boomer generation, which is coming along with broader, more wide-ranging willingness to try diverse arts. Their sense of "the arts" is very different, far more all encompassing, and blurs the line between arts and entertainment, commercial and non-profit. They attend more frequently. They try the arts in more different venues, more disciplines and at wider price ranges. For now, they are "grazers." But they are also starting to be contributors; win them now, and they can be supporters for the long term.

## **2. Population Mobility**

Markets such as the Triangle region of North Carolina and Columbus, Ohio are aptly known as transfer towns with huge turnover in population every year. With their growth in corporate headquarters, thousands of newcomers have entered these markets in the past five years, with little knowledge and no background or built-up loyalty to local arts institutions. These newcomers have to be found, wooed, and won quickly, before their leisure interests turn elsewhere.

The corporate environment of these and many other cities also affects participation habits. Huge numbers of the local white-collar work force now "commute" off to work in cities all over the country, week in and week out. And, they are as likely to drop in at an art museum in a few hours at the end of a business trip, in some other city, as they are to take a Sunday afternoon to attend their local museum -- maybe more so. They are as likely to attend an opera, play or symphony concert while traveling, as at home.

Inevitably, they are more able to compare quality of one city's arts institutions to their local institutions than did prior generations. Their expectations of the level of quality they want to see and hear at home have increased. When a huge segment of the arts' potential and current market has come from somewhere else, and can easily attend and participate somewhere else, the quality challenge for local institutions is monumental.

### **3. Frequency Decrease**

Ask most people involved either in arts marketing or on the boards of arts and cultural institutions to define a "frequent attender," and they will most likely speak of subscribers, presumably to their own institution and others. Not too long ago, a normal expectation would be for truly interested arts patrons to subscribe to a couple of performing arts institutions, hold memberships at a museum or two, and be general admissions/single ticket attenders elsewhere. Frequent attenders went to the arts anywhere from once a month to once a week.

No more. Today, people who describe themselves as frequent arts attenders may attend one to three times a year! They'll go to an outdoor arts festival in the summer, a holiday performance of some sort in December, and maybe take in a play or concert sometime during the winter. Those who identify themselves as really active participants say they may go to five or six different events/cultural destinations in town during the course of a year.

Meanwhile our field is trying to sell them "mini-subscriptions" of six events. We still operate under the hierarchy of affiliation theory -- assuming people move from being rare to more frequent single ticket buyers, to subscribers or museum members, and then donors. The theory no longer rules across the market; we can no longer count on it as a behavior predictor. Of even more concern is if those who think they are frequent arts participants get the message from arts institutions -- implied or direct -- that they don't count, aren't as important or valuable to the institution as the members and subscribers, what feeling do they come away with?

#### **4. Consumerism, not Boosterism**

Not too long ago, people attended their local arts out of pride. We were in the era when every city had to keep up with the boom of creating its own performing arts center, its own ballet, opera, theater, symphony, museums, and more. People went out of pride, even if they hated opera or dance.

With population mobility and a young market, boosterism has disappeared as a motivator to participation. Today's arts participants are consumers, not boosters. They comparison shop, consider their options, seek bargains, expect service, want to be sold. They figure it is the arts' job to find and woo them, if the arts want them as customers. They have plenty of other options for their leisure time.

#### **5. Overwhelming Choice, Reduced Urgency**

The same phenomenon that has hit retail has hit the arts. Shopping malls throughout the country are having difficulty filling their retail spaces in many markets. Occupied retail footage is down. At a certain point, markets become saturated with choice. The same seems to hold true in the arts. People have figured out they can go to *Phantom* this time or the next time it is in town. They can hear a good concert next month or next year. There will be another impressionist art exhibit. There is far more buying at the

last minute, when it is convenient, rather than months in advance. Choice has replaced urgency, with a result of far less predictability for arts institutions.

## **6. Price Sensitivity Like Never Before**

We've been watching it come, like a hurricane on the horizon, for a long time. This year, finally, price sensitivity has peaked, and ticket prices are the top deterrent to more frequent arts and cultural participation. Even devoted arts participants describe ticket prices as "scary." They wonder what the difference is between non-profits and for profits when the price of admissions is the same. They bargain shop. They go to student performances and amateur events, free festivals and gallery walks rather than professional big-ticket shows. They get angry, and they figure the arts must be intended for someone else, even if they make six-figure salaries, since they can't or won't, afford it.

## **7. Outsiders Versus Insiders. Do You Want to be Known as an Arts Patron?**

Negative impressions of arts patrons are significant. People keep their arts support pretty private, unless they feel the institution is doing something fundamentally important for the community, something they can get behind. Even donors have difficulty asking others to donate to the arts.

Compounding this, people don't want to self-identify as arts supporters or patrons. They don't want their neighbors to think they are snobs. Is this fallout from the culture wars?

## **8. Kid Friendly, or Else**

Parents now have precious little time with their children and want to spend it sharing an enjoyable experience. They don't want to be made to feel self-conscious. Even frequent participants don't consider taking their children to performing arts or

exhibitions where they feel the atmosphere will not be kid friendly. So, they'll go somewhere else, spend their leisure time elsewhere.

### **9. Service, Service, Service**

There is a grouping of barriers to participation that we call the "hassle factors." They range from having to go to a ticket outlet, or only being able to pay cash for tickets, to the frustrations in newly active downtowns where sports arenas and complexes are making for regular evening traffic jams -- where to eat, find parking, not getting lost. Add to that the difficulty parents face in securing childcare for an evening out. Consumers aren't sure they can exchange tickets if their employer sends them out of town at the last minute or a child gets sick.

In sum, the younger generation of arts consumers wants service, and lots of it. They want the level of attention typically reserved for members and subscribers. Some liken themselves to business travelers who pay full fare for their tickets, as compared to the "stay over Saturday night and get cheap rates" travelers: they think they, as the single ticket buyers paying full fare, should get the perks.

### **10. Friendly, or Else. Train Your Museum Guards at Disney University, not Pinkerton.**

The arts aren't widely known for their friendliness. Telephone survey respondents and focus group respondents alike speak of their lack of comfort, not knowing what to wear, being afraid their kids will be noisy in a museum. Atmosphere can make or break an arts experience, and can win or lose arts audiences. It is a toss up as to which is more important: a good atmosphere or the right programming.

### **11. Packaging the Arts: A Weekend Away, Versus Local Participation**

This is a subset of the mobility factor, and of the hassle factors which influence day to

day arts participation. If it is perceived as a hassle to go to the arts locally, and at the same time, as people spend more vacation time in short spurts -- long weekends and quick get aways -- people talk of saving their arts participation for those weekends, vacations or trips. Two or three days of museum going, taking in a performance, and dropping in galleries makes up for no arts participation the previous six months. That means arts organizations need to be mindful of this larger and growing segment of participants from out of town -- often just driving in from a smaller community elsewhere in the state or region -- to replace their own local market which, in turn, is getting in the car or plane and going somewhere else. Cultural tourism may be a net wash, replacing local market share with those from another market.

## **12. Blurred Lines: Entertainment and Art**

Just what is the arts? Consumers, especially younger participants, have blurred the lines more than we know. Their sense of arts is everything from the Rolling Stones to *Riverdance* to a Beethoven Symphony to *Rent* to *The Lion King* to *Seinfeld*.

They make few, if any, distinctions. The same holds for exhibitions: art shows, children's museums, historical destinations, art museums are all part of the mix they call the arts. They blur lines in the same way between commercial and non-profit, professional and community. It affects their perceptions of quality, of why they should contribute, and their expectations of the experience.

## **13. Image Matters**

"The arts here are okay for (name a city), I guess." Or, "This really isn't a place you'd think of as an arts city." Or, "I don't know how good it really is here compared to (wherever)." Or, "Considering this isn't a big city, the arts are pretty decent."

Second city insecurities affect consumer perceptions of their local arts. They aren't sure how good it really is. They figure their version of a touring show isn't as good as what is coming to a city 100 miles away, their ballet's *Nutcracker* couldn't be as good as that

other company's Nutcracker. They don't think theirs is an arts city, no matter its arts riches.

Image matters to the new generation of arts consumers. Perhaps it is their loss of boosterism, their need for new pride. They need to be reassured theirs is the best.

#### **14. Substituting Attending with Making Art**

Just as consumers have substituted inexpensive arts activities for the high priced ticket events, they have substituted making art or crafts for going to the arts at all.

Consumers who say they go to museums once a year take painting and sculpting classes. They write plays, compose music. A high number of families who have limited arts participation due to price and their feelings that arts destinations aren't kid friendly spend time making art together. Do they see themselves as frequent participants? No. Are they actively engaged in some art form? Yes. They are the silent, *possible* art market.

#### **15. Diversity and Culturally Specific Arts**

The participation patterns of the new generation of arts attenders shows more and more multicultural diversity, far less of a predominantly (or nearly exclusive) Anglo audience. The trend is exciting for the future, and at the same time a challenge for organizations, which have not themselves changed, to keep up with the diversity of their market. Twentysomethings of all races and ethnicities will go to an African-American cultural center for one event, a Latino center for another, attend an Asian arts event, and Anglo/European arts. Their cross over participation is dramatically different from their parents'.

At the same time, the challenge for Asians, Hispanic, and African-American arts organizations is to continue to serve their loyal, culturally specific audiences who don't

want change, along with this new racially and ethnically mixed audience that comes in the door. It is another generational, cultural transformation, well under way.

## **RESPONDING TO THE TRENDS**

There is no single strategy an arts council can employ to assist all the arts and cultural organizations in its community in responding to these trends. As Michael Moore from Lila Wallace Reader's Digest Fund suggested to the arts councils gathered for the Durham meeting, "modest successes" are often a better goal than sweeping campaigns that are short lived and often do little to change consumer behavior.

Just as research may be the catalyst for new thinking about audience development, sophisticated leadership may be the required catalyst for change within arts organizations. Boards of directors and executive staff need to be at the center of the discussion. A willingness for fundamental organizational change must be a given. Mission statements must address not only the artistry, but the public. The efforts must be sustained, deep within the community, over a long period of time. Organizations need to consider how to affect change in the way people participate, changing their patterns of affiliation, association, interests, and involvement. There are technology impacts and financial impacts. Organizational practices equal participation outcomes. It isn't business as usual.

What can arts councils do to facilitate this process? Investment oriented grant-making designed to foster the fundamental changes needed for real audience development is key. Reinforcing leadership is critical. Helping the strongest most willing arts organizations to go as far as they can, so they serve as models to others, is vital. And, as the Durham Arts Council has done with ADI, encouraging in-depth discussion about the issues, building a willingness to move beyond superficial efforts into substantive change, will stimulate new thinking and new ways of operating. The goal is to witness

a growth and change in the audience, as well as a deepened sense of participation and ownership, over the next decade. The research is just beginning.