KEY FINDINGS

1. The Triangle Area has been one of America's fastest growing regions. During the decade from 1990 to 2000, there was a 24 percent growth rate in the population of the three-county area that makes up the core of the Triangle. This extraordinarily rapid growth and influx of newcomers has – and continues to – pose a major challenge to arts organizations in the region. Though the growth rate has slowed considerably, down to a projected 11 percent from 2000-2006, there is still what would be considered a major influx of newcomers. Thus, in many ways, the challenges remain the same today as in the baseline study.

Among the challenges:

- Informing newcomers of the existing arts and cultural organizations.
- Building new participation habits among newcomers to the area.
- Creating an image and product that is comparable to "what we left behind."

As was reiterated in the focus groups for this analysis, many newcomers to the region have come from major metro markets, often from the East Coast and Midwest. Their benchmark for quality in product, venue and marketing, is based on what they experienced living in Chicago, Cincinnati, Detroit, New York and so on.

2. The market also continues to be dominated by the demographic of high education attainment. High education levels are proven predictors of "inclination" for cultural participation. This was supported in virtually all the focus groups, in which individuals with high levels of educational attainment displayed broad-ranging interests in culture and the arts. The importance of the education demographic was most apparent in the Durham parents' focus group, a highly diverse group that included individuals of multiple races and ethnicity, and extremely diverse economic means, all highly educated and extremely articulate concerning the arts. They were all highly "inclined" to be local arts participants.

- Finances were among this group's largest barriers to regular participation. The other barrier was that of single ticket buyers who can't afford memberships or subscriptions – and so don't get on mailing lists - and aren't marketed to regularly via direct mail. And ironically as correlates their educational attainment and limited financial means, the majority of this group go on-line for free subscriptions to *The New York Times* rather than read local newspapers. As such, they are out of the loop concerning local cultural activities.

3. The large size of the young adult population is another challenge. In the three-county geographic area alone, high indexing young professional clusters that include High Rise Renters, Urban Professional Couples, Twentysomethings, Upscale Urban Asians, College Campuses and Enterprising Young Singles comprise 148,000 households. Of these, nearly 120,000 households index extremely high for potential arts participation. This population segment exceeds the size of the best potential family market, and is four times the size of the high indexing retiree market. Given that retirees and families evolving into empty nester demographics are the typical arts audience stronghold, the young population needs to be a major factor in all arts audience development, with different strategies and approaches.

4. A young and mobile population doesn't have roots in the area or particular loyalty to the community. As one young professional in this study's focus group noted convincingly, loyalty to local organizations "isn't something thought of until you buy a house. When you are renting, and thinking you'll keep moving around, you don't bother. But when you sign that mortgage, you suddenly think about being a part of a community."

As the focus groups also showed:

- A young population has a broad interpretation of arts and culture. In two focus groups with young professionals, there was no difference made between "arts" and listening to bands or going to nightclubs.

- A young population is social in motivation. Singles who don't have friends interested in the arts are unlikely to attend alone, unless there is a social element built-in to the experience. "My roommate doesn't like theater and I wouldn't go by myself."

- A young population is skeptical of promotion and marketing that tells them how to feel. They don't want to be told "that the event is going to be fun. I'll decide for myself."

- Their media and word-of-mouth world is vastly different from the traditional arts audience media. Their radio picks range from soft/light rock/contemporary to Urban and Classic Rock. They are MTV, VH-1 and HBO watchers. They index only at average or below average for reading daily or Sunday newspapers. They are more likely to go online to CitySearch for information on what is happening than to run out and buy a paper or pick up a free weekly. Their favorite radio stations are as likely to promote bands and shows in Greensboro as in the Triangle.

- They don't see a reason to put their disposable income toward the arts. They will willingly pay for pop events, but see no reason to pay over $15 for what they perceive to be a less interesting nonprofit arts event.

- They are good museum goers – as their demographic is, nationally – but fidgety when it comes to the performing arts. Sitting through an event is not a social experience for them.

  Can this market segment be won? Yes, but the implications for programming, for creating experiences around events and marketing are significant.

5. The audience for the arts has grown in diversity since the baseline study, which speaks well to the efforts the participant arts organizations have made over the past few years. Twenty-three percent of the evident audience studied through the database analysis now shows as other than Caucasian, whereas in 1995, 8 percent showed as other than Caucasian. The most diverse audiences are for multi-discipline programming and youth programming.

6. Despite the difficulties in marketing to and winning an audience in a highly mobile region such as the Triangle, the participant arts organizations appear to have done extremely well in deepening their core audience. Based on this database analysis, it appears there has been a growth in membership, donors and subscription. There also appears to be slightly more cross-over participation. The data suggest deeper audience affiliation with the arts, and more expanded affiliation with the arts than in 1995.

7. The current evident market reach into the highest indexing clusters for arts participation ranges from excellent to good, yet there is considerable opportunity to still expand the audience among the most likely potential attender households. With the growth of the region, many new geographic areas have turned into instant communities, and few arts organizations have prospected these neighborhoods in a systematic way. This was supported in focus group discussions among inclined attendees who live in these areas: few have received any direct mailings from any organizations, seen promotions posted at their local coffee houses or read information that motivates their interest. It is important to note that these inclined attendees are goers and doers, seeking out destinations. Retirees that have moved from other cities are in particular undaunted by the Triangle traffic. So while their prospecting numbers may be small in comparison to the young professional market, they remain a market of opportunity.

8. The family market is the largest "inclined market" in the region. There are approximately 95,000 strong and inclined family households in the market area. As with the young adult audience, this is not a group typically oriented towards "arts" media. They listen to Classic Rock and Oldies more than NPR and classical music. They watch a combination of Headline News, Nick, Disney, Discovery, ESPN and A&E. Their newspaper reading is above average.

- The growth potential here is huge. There is only an 18 percent reach, at present, into the affluent Semi Rural Lifestyles cluster, and a 17 percent reach into the cluster Prosperous Baby Boomers. Why so low? Focus groups with these clusters suggest that many – particularly those that have moved to the region from elsewhere – simply don't see it as an "arts" area. "You think of colleges here, and sports. There isn't an arts image." The arts don't pop out as something important to do. "You go to sports." Some respondents in the focus groups asked that the arts organizations work together to create an overall image of the Triangle as an arts-rich area.

9. As noted above, perception of quality is an issue, framed as much by what people have left behind in other communities as what they see or participate in within the region. As in the baseline focus group analysis, participants in all groups here noted the diversity of small organizations, many of which they characterized as "amateur." This perception continues to feed participation cycles of people traveling outside of the area to attend the arts, and contributing to institutions elsewhere, rather than building a relationship of loyalty within the market.

10. Marketing materials and approaches can do much to overcome all the barriers and issues listed here. The focus groups for this study tested the marketing materials of many of the participant organizations which shared them for this purpose. Lower budget materials were translated by most focus group participants into a perception of low-budget organizations. And this in turn translated into "amateur." High quality, gloss marketing materials "stand out" and induce interest and potential participation. Only a few organizations' materials consistently sparked enthusiasm and interest throughout the six focus groups. Few people in any groups had received or had seen any of the materials.

11. Geography is an issue in audience development, remaining so since the baseline. But there are subtle and important changes evident. Durham residents are more proud of their community and its artistic offerings than evident in the baseline study, and are more willing to participate within the community. They see no reason to travel to

Raleigh or Chapel Hill for arts or entertainment. Raleigh residents are also more local in their arts participation habits, less likely to look at the Triangle as a "region." Residents of the area between the two cities are not oriented toward either more urban area, and – as supported by more and more local programming – are likely to stay very close to home. Retirees living in gated communities are willing to travel, though often as groups, to events that are well promoted to them. These changes, as evident through the focus group dialogues, suggest that more can and should be done by organizations to market in their own back yards. While the emphasis five years ago was to market to the region, this costly undertaking may be a second step after marketing well, in closer concentric circles to each venue.

- There are also many new areas within each city to reach. As stated above, there are entire new mini-communities to tap into. Prospecting has just skimmed the surface of this potential.

12. Media use has changed, rapidly. While older and longer-term residents appear to be regular readers of the daily newspapers in Raleigh and Durham, newer and younger residents have highly diffused reading and listening habits. Web readership of national newspapers emerged as major throughout the focus groups, by seniors living in Fearrington as well as young professionals in Durham and older families/empty nesters in Cary. National daily newspaper readership outpaced local readership in most groups. Weeklies such as The Independent – noted as so important as a source of arts news in focus groups during the base line study – have been eclipsed by web sites that quickly provide entertainment options for the week. CitySearch was the most frequently noted media for arts and entertainment news. Yet it was noted as having consistent difficulties, not containing in-depth information, and being hard to use. Focus group participants called upon the arts groups to make Web-based information more accessible and easy to find.

SUMMARY

Much excellent work has clearly been done since the baseline analysis. The audience appears to have grown, to have deepened, diversified, and geographically expanded. With a slowing of the regional population growth, it may be possible for the arts organizations in the region to "catch up" to their marketplace over the coming few years, and to make greater and greater inroads in building expanded and deepened audiences.

The overarching challenge remains surprisingly the same: building a quality image that is noticeable in a region not known as an "arts" area. The opportunities are significant, and the participant organizations are well on their way. Careful, consolidated and focused audience development efforts and related marketing can continue to reap rewards. The audience for the arts in the region still has incredible, untapped potential.