



BRIDGING THE GAP:

Orchestras Classical Music Listeners

A continuing discussion of issues, practices and changes in symphony orchestra organizations.



This is the second in a series of issues briefs designed to continue the discussion we began a decade ago with partners in the symphony orchestra field in the John S. and James L. Knight Foundation's Magic of Music initiative.

We encourage you to send reader's comments about these topics, and suggestions for future issues in this series, to publications@knightfdn.org or visit www.knightfdn.org.

Future issues will explore lessons learned and applied by the 15 participating orchestras as they worked in partnership with each other.

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Bridging the Gap: Orchestras and Classical Music Listeners

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Classical music lovers are everywhere, but most of them are not in the local concert halls.

It's a myth that very few people in the United States are interested in classical music, based on the findings of one of the nation's largest ever discipline-specific studies of arts consumers.

Roughly 10 to 15 percent of American adults have what might be termed a close or moderately close relationship with classical music, and again as many have weaker ties to the art form. This translates into tens of millions of people with some interest in the art form.

But here's the catch: Only half of those who express the very highest levels of preference for classical music actually attend symphony orchestra concerts, even infrequently.

The Classical Music Consumer Segmentation Study, completed in 2002, offers a sweeping view of an art form in transition and a symphony orchestra field increasingly detached from its potential customers. The critical finding is that appreciation for classical music does not translate into attendance at local symphony performances.

The John S. and James L. Knight Foundation, in partnership with 15 American orchestras, commissioned the study as part of the foundation's decade-long, \$10 million Magic of Music¹ initiative.

Conducted by Audience Insight LLC, of Southport, Conn., the study included nearly 25,000 interviews nationally, with a special focus on the 15 markets corresponding to the areas served by the participating orchestras.

¹The name "Magic of Music" is used with permission of The Magic of Music Inc., which creates special moments through music for thousands of critically/terminally ill and handicapped children and adults throughout the United States.

Identifying Orchestra Prospects

Using different sets of measures to identify potential classical music consumers, the study explored adults' affinity for classical music and then their ties to a specific orchestra. Criss-crossing these two dimensions, the study produced a market segmentation model that categorizes potential classical consumers into one of eight "prospect" groups. *(See list of market segments at end of essay.)*

In all, about 27 percent of adults are prospects for their local orchestras. The rest of the adult population has so little interest in classical music that they cannot be considered likely customers for local orchestras.

The top prospects fall into a group called **Captured Prospects** – people who are current subscribers or single-ticket buyers who attended a local orchestra concert more than once in the preceding year. That group is very small. The 15 orchestras attract only between 2 and 4 percent of adults in their communities on any sort of a regular basis.

The second group, **Low-Frequency Alumni** of the orchestras studied, includes consumers who have been to a concert by the specific local orchestra at least once but now attend seldom if ever. That group is larger, about 15 percent of adults in communities of the orchestras studied. They're considered prospects because they have had a trial experience with the orchestra at some point as an adult.

Another 8 percent are the group called **Uninitiated Prospects** – adults who may have never attended a concert by the local orchestra, but who indicate they have a close relationship with classical music. Some, for instance, have friends and family members who attend concerts.

Affinity for Classical Music vs. Symphony Attendance

For orchestras, the study helps unravel the riddle of latent demand, and it points to a rapidly shifting definition of classical music among consumers.

When consumers talk about classical music, they speak not only of live orchestra concerts but also of the music they hear in film scores, musical theater performances, ballet performances, and even the music they hear on television during ice skating competitions and advertisements.

Mass culture has assimilated and appropriated classical music in ways no one imagined even 20 years ago. With its Turbo Tax software, Intuit distributes a free CD compilation called *Relaxing with the Classics* (under license agreement with BMG). Music to calm your nerves by, evidently, while doing your tax return.

Radio, the study finds, is the dominant mode of consumption of classical music, followed by recordings and then, in last place, live concerts. Among daily listeners of classical radio,

about a third have never attended a concert by one of the 15 local orchestras.

The study reveals a symbiotic, long-term relationship between live concert attendance and classical music consumption via tapes, CDs and electronic media. If consumers grow and sustain a love for classical music by listening to classical radio and recordings at home and in the car, it would follow that orchestras must concern themselves with these venues. Increasing the availability and quality of classical music on the radio is important to the long-term vitality of the orchestra field, as is increasing the ownership, exchange and use of classical recordings.

Given the many ways that consumers fit classical music into their lives, it's easy to understand how a third or even a half of Americans might have a casual relationship with classical music. This does not mean, of course, that they are ready to buy a concert ticket. But it does mean the seeds of affinity for the local orchestra are widely sown.

Reaching the Local Orchestra

The study illustrated the broad impact some orchestras have had in their communities and exposes large numbers of classical music followers not engaged with the local orchestras. The St. Louis Symphony Orchestra, for example, has touched a third of adults in the St. Louis area on a cumulative basis. Similarly, the Wichita Symphony, Fort Wayne Philharmonic, Detroit Symphony and Oregon Symphony have reached at least a quarter of adults in their respective markets.

These impressive figures also point to the fact that many orchestras have large numbers of inactive former buyers – people who have attended a concert at some point in their lives but who do not attend now with any regularity.

While most orchestras use similar marketing approaches – relying heavily on subscriptions as the primary means of selling tickets – ticket buyers in these cities experience their orchestras quite differently. Single-ticket buyers in Brooklyn, for instance, are very different from single-ticket buyers in Fort Wayne, Ind. Yet the marketing tactics used to attract them are strikingly similar.

More effective marketing is only part of the answer to the long-term challenge of expanding the audience base. Orchestras need solutions customized to fit their particular needs, missions and communities.

Because the St. Louis Symphony has already reached the vast majority of its prospects, the orchestra's potential for future audience expansion lies in its ability to re-engage its large base of Low-Frequency Alumni.

On the other hand, the Brooklyn Philharmonic, Long Beach Symphony and the New World Symphony (of Miami Beach, Fla.) have larger numbers of Uninitiated Prospects, so gaining a larger share of the potential audience base for these orchestras means creating marketing and programmatic points of entry for the large base of classical consumers in their markets.

Location also matters. In some cities, suburban sprawl continues to move the best prospects farther away from the urban center. Meanwhile, more people place a premium on convenience and won't attend a concert if it means fighting traffic. For some orchestras, the solution has been presenting concerts at secondary venues outside the central city.

Beyond short-term marketing, the study also raises questions about the missions of symphony orchestras. Seemingly simple questions – *Who is the customer? What is the orchestra's primary business?* – become more complex when viewed from a long-term perspective.

A major conundrum for orchestras is the issue of subscription marketing, a popular but increasingly dysfunctional approach to building relationships with new audiences. Subscription campaigns generate the cash flow and sales volume orchestras need to survive. Such campaigns keep per-ticket marketing costs low, and this efficiency is appealing. But subscription sales have two major flaws, as the study makes clear.

First, subscription marketing filters out younger adults, who tend to be more spontaneous in planning their cultural activities. About half of subscribers across the 15 orchestra markets are 65 or older. Subscribers are half as likely as single-ticket buyers to have children in the household.

Second, the lion's share of prospects for orchestras – including many of those who are highly knowledgeable about classical music – are simply not interested in making subscription commitments. The survey showed that less than 10 percent of Uninitiated Prospects are highly inclined to subscribe. Within the base of single-ticket buyers, more than one in three are former subscribers who want to remain in the audience but have opted out of subscription packaging.

Selling symphony tickets by subscription means some of the best tickets are sold for the lowest prices, and that the best seats may be unavailable for new audience members who want to try a single performance and may be willing to pay full price.

Perhaps the biggest challenge facing the orchestra field is defining new customer relationships that do not require advance commitment or large, lump sum payments – and then finding ways to build loyalty among single-ticket buyers, even those who may attend just two or three times a year.

Without fundamental changes, subscription marketing will continue to be the sweet honey that sustains orchestras now and a slow-acting poison that impedes their long-term sustainability.

Social Context

Nearly 60 percent of U.S. adults would accept a free ticket to a classical concert by a symphony orchestra if offered by a friend or family member. So why are some orchestras having difficulty filling their halls? What's keeping orchestras from attracting the next 2 or 3 percent of adults in their communities?

One answer is that different people like different amounts of social lubrication in the concert experience.

Examining the large base of potential classical consumers reveals that for many, if not most, a relationship with the orchestra is contingent on an external social stimulus – an invitation.

Sixteen percent of potential classical consumers identify themselves as “initiators” – people who instinctively organize cultural outings for their friends. But nearly 60 percent identify themselves as “responders” – people who are more likely to attend cultural outings if someone else invites them. (The two categories are not mutually exclusive, by the way. Some people see themselves as both initiators and responders.)

The Knight study also paints a picture of a largely invisible shadow audience for most orchestras. These are people who have attended concerts but who did not buy their ticket and may not have even participated in the purchase decision. The community surveys indicate that, on average, 40 percent of those who have ever attended a local orchestra concert did not – *and have never* – purchased their ticket.

Focus group comments suggest that the absence of social context is a major barrier to concert attendance. Some adults have spouses with different musical tastes – one likes classical music and the other doesn't. Neither goes to the symphony. Single adults who are new to their cities may not yet have found a network of concertgoers. Both cases indicate potential new audiences – if these music lovers are able to find company to attend concerts.

Orchestras, like many arts groups, spend a lot of money trying to convert responders into active buyers. Responders, however, say they prefer to let someone else do the organizing. The research findings suggest that indirect selling to this group – through their respective initiators – is more likely to draw them into the concert hall. Other marketing strategies that take advantage of the potent currency of social context are likely to unlock additional demand for arts programs.

This again raises an urgent question for orchestras: What defines the customer? Is a customer someone who buys tickets? Or is a customer anyone who enjoys the concert? The difference is important. If the definition is expanded to include people who enjoy concerts but need an invitation, then a fundamental realignment of marketing strategy is necessary. There must be a shift toward strategies that encourage attendance in small social groups.



Implications

6

The Classical Music Consumer Segmentation Study raises both hope and concern. Interest in the art form – broadly defined – looks healthy. Yet orchestras are struggling to remain relevant in a rapidly evolving cultural landscape. They need to find ways to respond competitively to marketing challenges and social pressure.

Great Britain, for instance, already has its Opera Babes, thirtysomethings Rebecca Knight and Karen England, who catapulted to fame and fortune when a producer found them busking in Covent Garden’s Piazza and hired them to perform at World Cup soccer matches. Reuters called them “the new pin-ups of British opera.”

A willingness to engage fans of the music in various settings and multiple styles is a starting point. This need not mean compromising artistic standards, at least from the audience’s perspective. But it does mean taking risks – financial and artistic – on both sides of the stage.

Some orchestras, especially those in large metropolitan markets, may rededicate themselves to traditional symphonic repertoire, scale themselves appropriately and find sufficient demand for the foreseeable future. Other orchestras may choose to reorganize as community-based music organizations with a broader mission to present and produce a wider range of programs across various genres of music, drawing on the talents of their own musicians, perhaps, in new ways. This will require a great deal more flexibility in the services of musicians.

The only certainty is change. New generations and larger-scale immigration are putting a new face on culture, and classical music – no matter how well preserved – cannot escape these forces.

In the underground clubs of Paris and New York, young, new faces are reinventing classical music selections such as *The Flower Duet*, borrowed from Leo Delibes’s 119-year-old opera, *Lakmé*, and remixed into a techno dance anthem. Perhaps the thumping new beat will awaken orchestras to a new opportunity for the concert hall: kids dancing to their music.

Finding New Audiences

Symphony Orchestra Market Segments

Knight Foundation's research, among the largest discipline-specific studies of arts consumers, categorized orchestra "prospects" into eight market segments. Combined, they represent the 27 percent of adults in the U.S. who might be considered potential audiences for symphony orchestras – compared with the 3 to 4 percent of adults who currently attend concerts.

GROUP I: CAPTURED PROSPECTS

- **Segment 1: Sophisticated Active Audience (1.7%)** – These are classical music lovers who have a deep relationship with their local orchestra. They regularly frequent the concert hall and often enjoy classical radio and recordings. Current subscribers and high-frequency, single-ticket buyers, they have a very high social context, with family and friends also attending. This segment has the highest percentage of women and retirees.
- **Segment 2: Casually Involved Active Audience (2.0%)** – These are also subscribers and high-frequency single buyers who have a close relationship with the local orchestra, but they are less motivated by a profound appreciation of classical music. They are more likely to be casual listeners; they consider themselves moderately knowledgeable. High-income, they sometimes buy tickets but are more likely to attend if someone invites them.

GROUP II: LOW/NO INVOLVEMENT ALUMNI

- **Segment 3: Sophisticated Low-Frequency Alumni (1.7%)** – These audience members are highly knowledgeable and involved with classical music, but usually not with the local orchestra. They listen at home or in the car, at other types of performances and in other venues. Well-educated, high-income couples, they live farther from the symphony concert hall and find classical music in multiple forms and locales.
- **Segment 4: Interested Single-Ticket Buyers and Ghosts (4.4%)** – These folks are moderately sophisticated about classical music, with a limited relationship with the local orchestra. They are likely to respond to invitations to attend concerts, but fewer of them have family and friends who attend. They are a more racially diverse group than the other top segments. They are not interested in purchasing ticket subscriptions. ("Ghosts" are concertgoers who never buy their own tickets.)
- **Segment 5: Low-Interest Dabblers (4.8%)** – This group is less sophisticated about classical music and not inclined to learn more. Members are interested in attending live performing arts events, but not likely to subscribe. They own fewer classical music recordings and have low to moderate social context for attending concerts. Slightly less than half of them have a college or postgraduate degree.
- **Segment 6: Special Occasion Only (4.6%)** – For this group, concert attendance is sporadic and revolves around family programs, holiday concerts and other special occasions. These audiences are less knowledgeable and less interested in classical music. They have long tenure in the community, but with homes relatively far from the concert hall. Only half of them personally bought tickets; few have purchased new classical CDs.

GROUP III: UNINITIATED PROSPECTS

- **Segment 7: Uninitiated Prospects Without Social Context (2.4%)** – This group is relatively sophisticated about classical music, but members lack family or friends who attend local orchestra concerts. They are interested in attending the orchestra and other live performing arts events, but have never bought a ticket. Nearly one in three have volunteered for an arts group in the past, and one in four have contributed to a nonprofit classical music radio station. Racially diverse, younger than the other segments.
- **Segment 8: Uninitiated Prospects With Social Context (1.7%)** – This group has no history of attending local orchestra concerts, but members are moderately knowledgeable about classical music and have family and friends who attend concerts. For most, orchestra concerts are of interest, but not a high priority.
- **Segment 9: Uninitiated Suspects: Non-Users (3.6%)** – None of these individuals have ever attended a concert by their local orchestra, and they have only a moderate level of involvement with classical music in general. These individuals make the cut for prospects but are at the lower end of the continuum of potential customers for local orchestras.



About the study

As part of its Magic of Music initiative, Knight Foundation commissioned Audience Insight LLC to conduct the Classical Music Consumer Segmentation Study in 2000, inviting its 15 U.S. orchestra partners to join the research. The full report is available on the foundation's web site, www.knightfdn.org.

The study involved a national telephone survey as well as a series of comparable research efforts in each of the 15 orchestras' communities. In each market, data gathering included an analysis of the orchestra's customer data file, a general population telephone survey of 750 adults, and a postal survey of orchestra ticket buyers. Additionally, focus group discussions were held with various groups of prospects and ticket buyers in select communities. At the conclusion of the study, the consultants traveled to each city to present and discuss the research results with board and staff members of each orchestra.

In funding this study, Knight Foundation sought to create an information resource not just for the 15 participating orchestras, but for the entire orchestra field. The large data sets hold a great deal of potential value to the orchestra field and the arts in general.

To encourage and facilitate further analysis, the three quantitative data files have been archived in electronic format (as SPSS data files) at the University of North Carolina's Odum Institute for Research in Social Science. The data files include: public telephone survey of U.S. adults (N=2,200); rolled-up data file from 15 market area public telephone surveys (N=11,318); and rolled-up data file from ticket buyer postal surveys (N=10,104.)

The files may be accessed through the Odum's electronic catalogue at: www.irss.unc.edu.

The orchestras involved in Knight Foundation's symphony initiative include:

Brooklyn Philharmonic

Charlotte Symphony

Colorado Symphony

Detroit Symphony

Fort Wayne Philharmonic

Kansas City Symphony

Long Beach Symphony

Louisiana Philharmonic

New World Symphony

Oregon Symphony

Philadelphia Orchestra

St. Louis Symphony

St. Paul Chamber Orchestra

San Antonio Symphony

Wichita Symphony

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