

Case Study: Hartford Stage

New subscriptions up 27%

Big growth in full series subscriptions while re-building loyalty from the ground up

THE SITUATION:

Hartford Stage has long enjoyed a sterling reputation as one of the country's leading resident theatres. However, after 2008–09, one of the best seasons on record, revenue plunged and continued to trend downward in subsequent seasons.

A major portion of the revenue decline came from the loss of subscribers and subscriber revenue. In 2002, Hartford Stage introduced EZ Tix, a flexible voucher subscription. As EZ Tix became the focus of acquisition efforts, sales for the full 6-play subscription fell steadily. Because EZ Tix didn't require patrons to choose plays when they purchased, many passes went unredeemed, with the result that renewal rates were also low. By the 2009–10 season, both types of subscription package were in sharp decline, which made staff believe that the subscription model was dying, a belief held by many in the arts industry.

There were other reasons for subscription declines; subscribers had been subjected to a series of aggravations including weather cancellations, cancellations by several headline performers, and last-minute reseating. Finally, the value of subscribing was consistently eroded by widely available discounted and free tickets; in 2010–11 42% of all single tickets were discounted and 25% were comped.

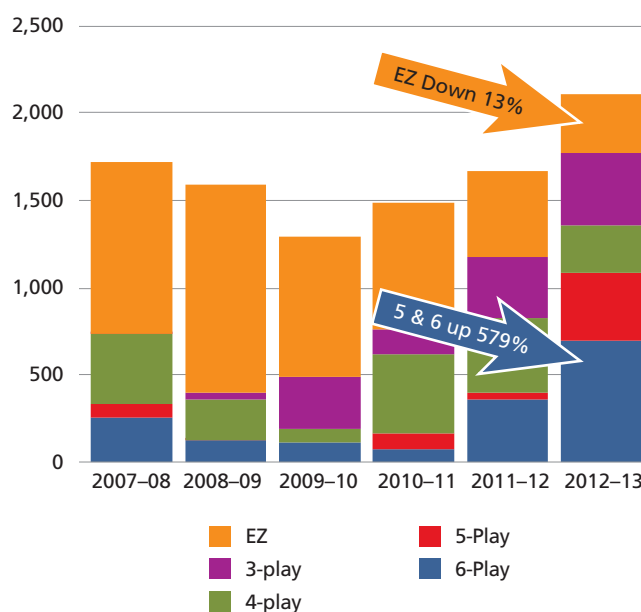
In 2011–12, Hartford Stage charted a new course with the appointment of Darko Tresnjak as the new artistic director. Additionally, Managing Director Mike Stotts hired TRG Arts to help rebuild the patron base through rescaling and repricing the hall for improved perception of success, and strengthening the subscription model.

RESULTS:

Over the next two seasons, Hartford Stage saw the following results:

- New subscription units grew by 27%
- 6-play (full) subscriptions increased from 59% of total subscriptions in 2010–11 to 73%
- New 6- and 5-play subscriptions grew by 579% while EZ Tix sales decreased 13%
- Overall subscription revenue increased by 9%
- Discounted single tickets declined by a third and comps were cut in half
- Pricing changes generated additional incremental revenue of \$146,000

NEW SUBSCRIPTIONS SALES BY SERIES



HOW THEY DID IT:

Re-building loyalty among its patrons became the theater's number one priority, with particular focus on rebuilding subscriber trust.

"Patron loyalty is more than a tactic—it's a cultural change, a change in how everyone in the organization does business. TRG has given us the training and tools to navigate this change," Marketing Director David Henderson said.

Perception of success—within and without.

New pricing strategies and policies on comps and discounting increased revenue along with loyalty. Even better, the new scale filled the house in a way that made performances look fuller without resorting to papering the house as in the past. TRG also provided tools to help Hartford set more realistic and achievable revenue goals.

According to Associate Director of Marketing Todd Brandt, "Creating achievable goals has improved morale tremendously. Everyone likes being successful—we are able to feel proud of our work and not feel like we are constantly in catch-up mode."

Clear and early messaging about the value of subscribing. Campaign planning focused on starting earlier with time for multiple rounds of acquisition waves. In prior campaigns, there were two subscription campaigns running simultaneously in the spring. TRG encouraged Hartford to begin its new season campaign at least two weeks earlier, and end the prior season's campaign much sooner. Subscription materials were refocused on the value of subscribing rather than simply promoting plays. A proactive and detailed upgrade plan was implemented to invite every renewing subscriber to get closer to Hartford Stage.

Loyalty is everyone's job. TRG ran a Patron Loyalty Index, ranking everyone in the database by their total investment in Hartford Stage over five years. Hartford Stage has begun using this information to help the box office speak to patrons like they know them and is also being



used by development for new onsite cultivation activities. According to Director of Development John Bourdeaux, "Integrated campaigns, box office collaboration, and general coordination have increased significantly with the guidance of TRG."

He continued, "The PLI has given us freedom to talk to people that actually love theatre, instead of the fool's errand that is finding rich people and convincing them to love theatre. PLI helps give shape to individual giving programs in the context of patron loyalty—it's the long-term sustainability plan for theatres."

ABOUT HARTFORD STAGE

Hartford Stage is one of the leading resident theatres in the United States, known internationally for entertaining and enlightening audiences with a wide range of the best of world drama, from classics to provocative new plays and musicals and neglected works from the past. The theatre has earned many of the nation's most distinguished awards, including the Regional Theatre Tony Award, the Margo Jones Award for Development of New Works, OBIE and New York Critics Circle Awards, an Elliot Norton Award and a 2007 Bank of America Neighborhood Builders Award.