

Case Study: Repertory Theatre of St. Louis

65% one-year increase in new subscription revenue

TRG Campaign Planning Sprint jumpstarts subscription campaign



Exterior of the Loretto-Hilton Center, The Rep's primary performing venue.

THE SCENARIO: Repertory Theatre of St. Louis had experienced ups and downs in subscription sales. By 2012, overall subscriptions had been decreasing by 3-8% almost every year since 2008, despite a strong renewal rate.

The underlying problem seemed to be attracting new subscribers. Initial analysis by TRG Arts suggested that, long term, The Rep needed to grow the number of prospects for subscription in their database. TRG also discovered that The Rep likely hadn't been spending enough on subscription acquisitions. Spending on marketing new subscriptions acquisitions had remained flat, despite the declines in subscription acquisitions.

"The budget and goal [Managing Director Mark Bernstein] had laid out were a little daunting," Director of Marketing Lory Bowman said. Knowing The Rep needed campaign planning and pricing help for the subscription campaign to reach this goal, Bernstein and Bowman travelled to Colorado Springs in January 2012 for one-day Campaign Planning Sprint with TRG.

RESULTS:

The Rep exceeded its aggressive subscription goals and saw the following results in the 2012-13 subscription campaign:

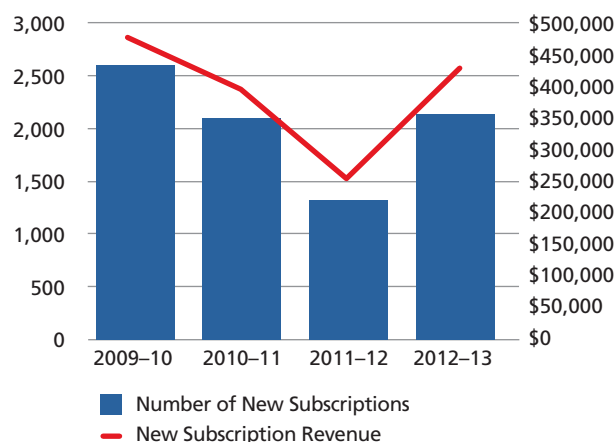
- New subscriber revenue increased by \$167,000—65% over the previous season
- New subscriber households increased by 52%.

The campaign was more effective, too. The ROI (return on investment) per piece increased from \$1.63 to \$2.87. During the 2011-12 campaign, The Rep had spent \$17 per subscription for net revenue of \$232. In 2012-13, the cost was \$15 per sub, with a net of \$240 per sub.

The renewal campaign was successful as well. Renewal rates climbed to 90% and The Rep was able to save on renewals, owing partly to improvements in the early renewal campaign. The results were as follows:

- Early renewals brought in \$418,000 (14% of final renewal revenue), up from \$279,000 (9% of final) in 2011-12.
- The success continued into 2013-14, when early renewals brought in \$903,000 (29% of final)!

REPERTORY THEATRE OF ST. LOUIS
NEW SUBSCRIPTIONS AND REVENUE



IN HER OWN WORDS:

Lory Bowman found collaborating with TRG consultants alongside Managing Director Mark Bernstein especially helpful. She returned to The Rep with a plan that had been vetted by all and was able to make it her own.

Coming out and having Mark be part of the process was hugely helpful. The budget and goal he had laid out put pressure on us to get new subscribers at high average order size. On our first pass trying to map out what was realistic, we were far away from the goal—and we discovered that together. We ended up aiming for an average order size of \$275 and achieving \$268—and units were up.



Image from The Rep's mailing to list trade prospects, promoting the Pick subscription. Pictured: Erin Davie and Ron Bohmer, *Sunday in the Park with George*

The Acquisition Campaign: Details Matter!

The changes we made to the acquisition campaign were TWEAKS! Details matter! Suddenly, results started to happen with these tweaks.

- **Timing:** *The Rep moved up the campaign launch about a week from prior year, and consolidated mailings and deadlines.*
- **Segmentation:** *We had more targeted pieces in our acquisition campaign, so there were increases in data costs, printing and postage, but all campaigns were profitable. We had a higher cost per piece, but the message was more on target and the call to action was personalized. Likewise, a new piece [above] was developed for list trade prospects which was a much*

more appropriate product for these potential buyers—our Pick [a “choose your own”] subscription rather than the full series.

- **Frequency of mailing:** *We had a “touch” every 4 weeks, and each priority group had packets AND reminders. We did not have reminders in the year prior.*
- **Creative of pieces:** *We had stronger retail messaging on cover and we moved the benefits list to the second spread in the brochure—a big change from the year prior. The interior spread of brochure included quotes from subscribers. The back cover needs to entice the recipient, so we used this space for titles of the plays.*
- **Offers:** *We didn't have a discount offer for the acquisition campaign; we reiterated benefits instead of an actual offer of any kind. For example, we asked renewing Pick subscribers to upgrade to full series and double their benefits with a grid showing the differences in benefits for Pick and Full Series.*
- **Added reactivation campaign:** *We added a reactivation campaign for lapsed subscribers. We offered an additional 20% off and it didn't do well. Only 40 subs bought at the reactivation price. But when they got subsequent offers, they responded. In comparison to the prior year, we were profitable for all lapsed segments—all the way back to 2007.*

What we tracked

We tracked the pacing of where we were last year vs. this year. Average price per ticket was key, and we found that it was a challenge to get new subscribers to buy more expensive seats/packages. The Saturday 5 package and Section 1 seating (historically the most popular and most expensive) were slipping. New subscribers tended to buy Tuesdays, matinees and previews, which were lowest priced series and Sections 2 and 3. Telemarketing and box office were then encouraged to focus on selling the best seats, and upselling.

It also helped to have TRG's comparisons on response rates. We looked back at our response rates from the prior year and the cost of the pieces, and we were able to be more efficient and proactive in our mailings.

**Spend less on renewals,
have more for acquisitions**

Renewal revenue remained relatively flat, but the renewal rate was 90%. Plus, we were able to spend less to get around the same number of subscribers, by focusing on the early renewal campaign. We started earlier, tightened renewal deadlines, and used guest passes for the current season as incentives.



Messaging around the value of subscribing was a big part of The Rep's subscription campaign success.

Renewal expenses were reduced because we had such an increase with our early renewal. That simple letter reduced our mailing of a more costly renewal packet. Further, we streamlined our second notice to a letter and renewal form without inserting another brochure. This second packet was cheaper to print and mail and felt more like a final notice rather than just a repeat of the first mailing—which is how we had been doing it forever.

We redeemed 4,000 guest passes, so we gave up potential single ticket revenue but we did so in the name of lifetime value of subscribers. Houses were packed and subscribers were delighted to bring guests. This was a hugely successful benefit for The Rep.

I've always come up with my campaign plan and timeline on my own, but talking out loud about our goals in real time and strategizing around timing and messaging helped me see the arc of the campaign as a whole. Also, fresh eyes brought simple new ideas to our creative.

**ABOUT THE REPERTORY THEATRE
OF ST. LOUIS**

Since 1966, The Repertory Theatre of St. Louis has been the region's premier live, professional theatre. The Rep's commitment to its community of theatre professionals and patrons, and to its educational mandate among all ages, remains while it responds with reliable consistency to new needs and fresh challenges.