

Case Study:

5th Avenue Theatre

Super Subscribers Saving the Day, Seeding a Loyalty Initiative



THE SCENARIO:

In the year TRG consultants began work, 5th Avenue faced a significant projected shortfall in the annual fund near the end of the 2009–2010 fiscal year. Previous campaigns relied almost exclusively on telefunding and the cost of sale was high. Subscribers who donated made up a small portion of the 5th's season ticket holders, so there was clearly room to grow. 5th Avenue Theatre had to increase revenue—and fast.

THE RESULTS:

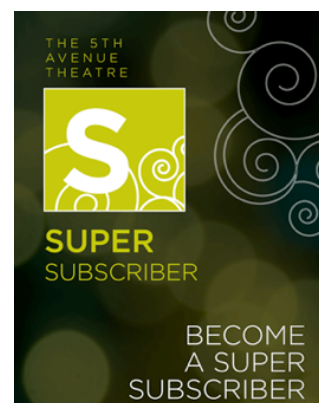
5th Avenue Theatre mounted a campaign targeting 2010–11 subscribers, asking them to become “Super Subscribers” who make a donation to enhance their theatre-going experience. Working within a tight expense budget, this very efficient campaign brought in 453 gifts and a total of \$51,189 at a 10% cost-of-sale. Nearly three out of four Super Subscribers were new donors. In just four months, the effort put a major dent in the revenue shortfall and launched the ongoing support of a new cadre of 5th Avenue Theatre loyalists.

HOW 5TH AVENUE THEATRE DID IT:

TRG Consultants worked with the 5th to develop the Super Subscriber campaign, reaching out to subscribers who had already renewed or purchased a new 2010–11 subscription. The first task was to integrate this level gift within the current donor categories. Donors who were already giving \$100 or more were automatically Super Subscribers. Subscriber records were checked so only non-donors were targeted.

The \$100 Super Subscriber ask was embedded within a “thank-you for subscribing” letter managed by the Development Department and signed by the Executive Producer. After all current subscribers were mailed, new subscribers continued to receive this letter as the acquisition campaign progressed into the fall.

The Super-Subscriber offer. Instead of requesting help for the organization, the letter invited patrons to enhance their theater experience with a tax-deductible gift that included experiential benefits: a backstage tour, a one-time guest pass to the major donor lounge, and a show poster of the subscriber's choice from the upcoming season. Their gift would also support scholarships for the 5th's upcoming summer camps, but the primary focus of the ask was on the subscriber's experience. These letters were then followed up by calls from the in-house telesales team.



TRG BUSINESS INTELLIGENCE

Consumer Behavior
Demand Analysis
Patron Profiles

TRG DATABASE MANAGEMENT

All-Data Warehousing
On Demand, Online Access
Consumers and their Transactions

TRG CONSULTING

Consumer Loyalty
Optimal Pricing
Maximum ROI, Revenue

Tracking the campaign. 5th Avenue tracked cost-of-sale, average gift size, and mode of sale to find out what had worked and what hadn't. Their multi-channel approach worked well: 40% of donations came in response to the mailing alone, and 60% came through the follow-up calls to the letter, during telemarketing calls to solicit new subscribers, and in asks by box office agents when a patron called in to subscribe. Linking the gift to theater-specific benefits was an easy ask to make, and very effective in attracting new donors.

Who were these Super Subscribers?

TRG's analysis found:

- *Most Super Subscribers were relatively new to subscribing.* 65% included first timers, subscribers of five or fewer years, or patrons returning after letting their subscription lapse.
- *Super Subscribers were primarily **new donors**.* 70% had no previous giving history; 30% were lapsed donors.
- *Super Subscribers were twice as generous.* The campaign's average gift size was \$113, more than double 5th Avenue prior new gift average of \$53.73.

What came next: The Super Subscriber campaign continued into the fall, attracting significant additional revenue, and then grew into a much more integrated and significant program in the 2011–12 season. The 5th Avenue Theatre's Super Subscriber campaign was a successful initiative integrating marketing and development that has now blossomed into an institution-wide collaboration in patron development.

ABOUT 5TH AVE THEATRE: Since the late 1970s, the 5th Avenue Theatre has offered the latest touring offerings from New York, along with locally produced, world premieres of exciting new musicals and expertly mounted productions of both contemporary and Golden Age of Broadway hits. The 5th Avenue Theatre attracts an annual attendance of more than 250,000 patrons and ranks among the nation's largest and most respected theater companies. For more information, visit www.5thavenue.org.