

// Case study //

Opera for Groups :: The NBR New Zealand Opera

Written by Andrew Ross

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Vicki Allpress is Marketing Manager for The NBR New Zealand Opera, which is based in Auckland and tours nationally. She has overhauled the company's group bookings offer and strategy with exciting results. Here she shares her experience with fuel4arts in conversation with Andrew Ross.

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A strategic approach to developing the potential of group bookings

Vicki Allpress implemented The NBR New Zealand Opera's Opera for Groups offer during the company's 2005 season. But her knowledge and experience of marketing to group organisers goes back to her work with English National Ballet (ENB) in London, where she was charged with developing a group bookings strategy to fill unsold seats for the company's Christmas seasons at the Coliseum. At the time, this was something that few UK arts companies did, although it was a well-developed business among the commercial theatres of London's West End.

*"I was asked to create a whole group booking strategy from scratch. I remember the first day on the job – I had a blank desk and a blank computer and I had only just arrived in London. I wondered *where the heck do I start?* Until then, groups tended to be managed by the box office with a ticketing approach rather than being seen as a discrete market segment. There wasn't a plan in place that considered why groups were, or were not, attending the ballet."*

However Vicki soon discovered that group booking in the UK was a subculture in itself.

"I started doing some desk research and I found that there were a number of large organisations, arts clubs that were doing group bookings for all sorts of events on a regular basis. Some of these had branches all over the UK, and there are even magazines targeted directly at group organisers. I also examined the ENB's previous group bookers, and did face to face interviews."

She asked them why they weren't going to ballet often and what events they did attend, to find out what the barriers were to their attending the ballet were, with some clear results.

- "Group organisers need very long lead times. Often these groups planned their events one to two years ahead and arts organisations often could not accommodate that."
- "The group organiser likes to feel important. Whether it's a social group or part of their work, they tend to be the sort of person who likes to be the centre of attention, possibly a bit of a control freak, a leader. They need incentives and like to feel that they are an extension of our team, that they have a special relationship with the companies they deal with."
- "Financial incentives are important. Group members are motivated by a financial incentive that seems much more special than what is available to the general public."
- "They have a very stressful job. They shoulder the responsibility for arranging new and interesting events for their groups, for looking after and being responsible for the group, and collecting the money."

The groups Vicki spoke to would often go to musicals and big shows.

"Anything that had a buzz around it or that they knew, but they wouldn't venture into ballet. They feared that it was highbrow and not appropriate or enjoyable for the men in their group."

From that study, there were some clear, key objectives which, Vicki realised, needed to be achieved with her strategy.

- To communicate that ballet was a great event for a group, that it wasn't scary, that it was no more challenging than going to a musical;
- To package this up and communicate it in a way that would appeal to them and make them stop and think twice about it;
- To get the offer out very early;
- To locate the key group organisers – to build as big a database as possible, and
- To create a group booking offer that appealed.

To help the group organisers arrange their group visits, Vicki developed information packs that they could distribute among their groups and posters with blank slots so they could add their own information.

"These helped to give them the confidence to motivate the group and to achieve the numbers they might be under pressure to achieve."

"I gave them generous lead times, so they could make a reservation at a performance without being pressured to pay right there and then because they had to collect the money from their group."

She also employed a designated liaison officer and developed a schedule of calling bookers on a regular basis.

"This was to protect us from losing seats if they'd booked more tickets than they were going to need. We'd call them a few weeks after they'd made the reservation to see how they were going, and maybe suggest that they reduce the booking if it looked like they weren't going to get their numbers, or maybe to increase their booking if it was going well."

"We got so many comments about what a pleasure it was to deal with us direct and to have the support to make their tasks easier. The West End shows were quite aggressive in their approach to group bookings. I've noticed that when big commercial musicals tour here to New Zealand now, the promoter will be out there very early with an aggressive package marketing to groups. It's very much a one-off push, and those shows are supported by very slick marketing materials and a lot of buzz."

Vicki says that in New Zealand, such shows have a short run and have the benefit of scarcity.

"You only have one chance to see it. Arts organisations have to take a more empathetic customer-focussed approach because we are going to be here for a long time and we want to build relationships and have long term growth."

Implementing the strategy at The NBR New Zealand Opera

When I arrived at the Opera, I could see that there was potential for a similar approach to be effective here. I went to the group booking event for *Saturday Night Fever* and I thought *look at all these people who book groups*. They were mainly women, and I could tell from their behaviour at that event that they probably hadn't had a lot of experience in attending the professional performing arts. They weren't people who would necessarily even think about coming to Opera, just like many of the groups I'd worked with in the UK.

The company had always offered a 10% discount for groups, but it had been limited to the top three ticket prices. From a desire to be protective of the income stream, they were trying to discourage groups having lower ticket prices discounted even further, says Vicki.

"I had to convince the organisation of the benefits of my strategy, to explain that it was about building long-term relationships with people who wouldn't normally come to the Opera, and particularly that because it was a risky choice for them and that they had to convince their groups to come, we should let them into the lower ticket prices. From there, we can work to move them up to higher reserves in future."

The company has made the group offer available over the whole range of ticket prices (although it doesn't offer the 10% discount on the very lowest reserve, one free ticket for every ten purchased is available across every reserve).

Allowing longer lead times has been her other main change.

"Although I couldn't have a fulltime group booking staff member as I did in the UK, I employed a marketing assistant whose role includes being the groups liaison person. While our Box Office Manager takes the bookings, and is closely involved, this staff member calls the groups, is proactive with them and responds to their questions, so they can deal directly with one person in the company, rather than going through the venue ticketing agencies."

Apart from that, she says it's been more about communication than about the offer itself.

"We created a groups brochure which outlines the offer in very friendly, accessible language so the communication to them is *Opera has all the elements you'd see in a musical and more*. The brochure states in clear bullet points what opera is, but also why opera is great for groups. We have brand values for the NZ Opera as a whole – things like professionalism and high standards, which are incorporated. In addition, with the Opera for Groups program we talk about warmth, accessibility and empathy with the group organiser, as well as the entertainment value of the Opera."

The target market

Vicki says that the company's overall audience is made up of three broad groups - The "Aficionados", the "top 10 Opera Lovers" and the "Event Goers". She says that the latter group is crucial to reach in order to expand the company's audience.

"We have three primary target markets for our groups offer. The most important segment to us is the existing audience – those who have booked groups before, and those who could be on the verge of booking a group (based on number of tickets per booking, and loyalty). The other two comprise the older people's groups such as Probus and Rotary, and corporate groups that use events for client hosting and social club outings."

Secondary target markets include coach companies, hobby and special interest groups, community groups and educational institutions.

Promotion

Vicki stresses that the whole program has had a limited budget.

"Our biggest investment was our brochure, which communicated the key messages about Opera for Groups. We used this as a name capture tool (by distributing it at venues) and also for targeted direct mail as well as including in our season mail-out. The response, by the way, to the name capture form was marginal, simply because our distribution wasn't able to be that wide. We did a little bit of advertising in Probus and Rotary magazines, which were really the only publications that went to groups. There are a number of newsletters we are aiming to get into, and we created our own Groups newsletter."

Building the database

The company started with its previous group bookers, conducting phone interviews with them. A further subset of people who were close to being group bookers, attending fairly frequently and bringing quite a few people with them were included so that they might be encouraged to increase the size of their groups.

"Then it was of a lot of desk research with the phonebook, business directories," says Vicki. "We joined the Chamber of Commerce and trawled through their membership list. We included the larger corporations but we also included architectural practices, accounting firms, legal companies, the sort of small to medium companies that might entertain clients or form a group to go out socially, and might have a bit more money to spend. Then we rang and found out who the best person in the company would be and if they'd be interested in being on our list. We also used the call to raise

awareness of the groups program and the Opera generally. It's slow growth... it's a slog, but a worthwhile slog... it's best to do it properly."

Vicki says that, if she were to start afresh on implementing this strategy, she would invest more resources into creating and expanding the database quickly.

"The database is the core tool. To date we have communicated only with the group organiser but there is an opportunity to capture details of the individual group members as well."

The response

Vicki has been delighted with the response to the initial offer.

"We doubled the total number of tickets we sold to groups and also more than doubled the *number* of groups that came to our season, compared to the 2004 season. We know that most of the growth was through new group organisers, who had never booked with us before."

That growth appears to be continuing this year, with the company's box office already exceeding the number of group sales for the current season compared with the corresponding season two years ago. "And we haven't even officially promoted it to our group bookers or the general public yet – this is on return business and advance inquiries alone!"

Key points of difference

Vicki says that it's not the company's offer in itself that is different from what most companies are offering. She believes the key points of difference in her program are:

- *The approach*

"The long-term focus and looking at groups in a marketing sense, considering the classic 'Four Ps' – the product, the pricing, the placement or distribution and promotion."

- *The communication of the offer*

"Many organisations have a group offer but it's not necessarily put in front of the right people in a way that it becomes a viable and attractive option for them. It hasn't in the past necessarily been a proactive communications approach."

- *The customer service surrounding it*

"This is about understanding what group organisers need that is different from other customers, matching your offer and including a customer service element that helps them – things like the information pack to help them sell the event to their group, acknowledging them at the performance, the ongoing calls leading up to the performance."

Empathy

Vicki feels a major element of the program's success has been her approach to marketing of always trying to put herself in the customer's shoes.

"To understand what it feels like never to have been to opera before and what it feels like to be a group organiser.... what are their fears and concerns?... and tapping into that. Our strategy is designed to help take the burden off their shoulders so they don't feel quite so alone as they plan their group booking with us."

Characteristics of groups

Vicki says a certain small percentage of her group bookers are social groups that form specifically to attend the Opera but that most of her groups, and certainly the new ones she has attracted, formed for some other reason. They might be a tennis club, Probus Clubs or corporate social clubs that look for regular events to go to.

"Group bookers tend to be a very female-dominated market. Our general audience would be about 60% female to 40% male, but our group organisers are around 75-80% female. Women are predisposed to making bookings anyway, but it may be part of the female psyche to be the organisers. That's an interesting social phenomenon. It's always the women in couples who are the gift buyers, too. So it's important to keep that in mind."

"Looking at last year's results, 80% of our groups are 10-19, 12% are 20-29, 2% are 30-plus and around 6% are bookings that finally came in at under 10 (so they didn't get the group benefits). We are working to increase the number of large bookings from corporates and that is having some positive effect this year."

"Interestingly, we have found that most group organisers split the free ticket across the total cost, rather than accept it in full themselves. They prefer to utilise the free ticket to reduce the overall cost for everyone."

Making the group organiser feel special

In addition to personalised service and regular contact, Vicki has implemented a simple but effective way of acknowledging the group organisers.

"When the group comes to the performance, our marketing assistant or box office manager will go and find the organiser in the theatre and thank them for arranging the booking and coming along. That makes the group organiser feel good in front of their group. I can see that there is potential for other contacts, like follow up letters and calls."

She has further plans for developing the relationships.

"At ENB I ran events for 20 or so group organisers at a time. We'd have morning tea in the studio and we'd have two or three presenters. One was usually a costume person who would show them the costumes for a show and talk about how they were made. Another would be a dancer. It was a way of building a special, personalised relationship with the group bookers. The number of comments I got from those was fantastic. In particular, it

helped them to see that the ballet was not highbrow, and gave the organisers positive experiences and stories they could use to go back and tell their members to engage them in the idea of coming again."

"The other thing I did at ENB was to invite along to performances as guests one or two key group organisers who had not yet booked with the ballet, and that's something we're planning to do this year at the NZ Opera as part of the next stage of the program. It gets the organisers on side and helps them realise that *gosh, my group would have loved this.*"

According to Vicki, the worst thing one could do to a group organiser would be to treat them with disinterest or disdain. "These people are on-selling your product to others! Group organisers act as ambassadors, assisting with word of mouth and awareness - effectively an additional arm of our marketing team."

Optional extras

Vicki acknowledges a mistake she made at the ENB, promising presentations and highly personalised services to all groups, resulting in an unmanageable workload for her and her team.

"We're trying to put a scale of optional extras in place for group bookers. We are very careful about the resources we invest into it, so we are staying with the basic groups package, but developing optional modules, such as prepaid drinks or programs, extras that are paid for by the group. On occasions we may decide to offer a pre-show talk to a particular group if it is one that has potential to become a significant regular source of bookings – but that's a strategic decision on a case by case basis."

Audience development

With the program clearly attracting new attendees to opera in the 'comfort zone' of a peer group, Vicki says her focus is on building the database and cementing the relationships and working to get repeat business from her groups.

"The other thing I like about groups is that growth can come in a number of ways. A lot of groups came in last year in the lower ticket prices. We can now try to gradually move them up, encourage them through special offers to go into higher reserves. It's possible to grow group bookings by the ticket yield, by the size of groups and their frequency of attendance, and also by increasing the number of groups who are attending."

"Opera for Groups has become one of the most important strands to The NBR New Zealand Opera's marketing plan. It's definitely about attracting new audiences."

Vicki Allpress' tips for implementing an effective group bookings strategy

1. Get commitment from the whole organisation and third party ticketing suppliers into understanding and appreciating the importance of groups.
2. Keep good records from the beginning so that you have a benchmark to compare to.
3. Build a really good database.
4. Think laterally – anyone can come as a group!
5. Invest some decent resources into it – ensure you have a staff resource who is responsible for groups, a phone line into your organisation for groups, budget to produce a good brochure, some good database software (although we don't and manage anyway!), and the ability to run some events and add-ons for groups.

Resources

The NBR New Zealand Opera
www.nzopera.com/

NBR New Zealand Opera 2006 Groups Brochure
www.fuel4arts.com.au/content/content.asp?type=4&area=6

English National Ballet (EBN)
www.ballet.org.uk

UK Groups Infrastructure
One of the large organised group activity organisations Vicki worked with in the UK was the Arts and Heritage Club, which has branches all over the country such as the one described at:
<http://comminfo.kingston.gov.uk/ClubDisplay.aspx?ClubID=1323>

Two websites for major UK group leisure publications:

Group Leisure Magazine
www.groupleisure.com/home/

Group Travel Organiser
www.grouptravelorganiser.com