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The Nature of Theatre Marketing:
Concepts, Opportunities and
Challenges in the Selling of
Intangible Products and Services

*SOLA FOSUDO*

Abstract

A major challenge facing Nigerian theatre and entertainment-producing organisations is the marketing of their productions and offerings. This usually results in poor patronage and non-viability of the production outfits. The intangible nature of theatre products poses a special challenge to these outfits because of the nature of the arts experience which makes their marketing both problematic and interesting.

This chapter examines the nature of theatre marketing and how opportunities can be derived from the challenges of selling intangible products through careful product branding, development of unique artistic concepts, aggressive solicitation and sponsorship campaigns, effective promotion and target marketing, innovative ticket selling approaches and so on. The chapter further highlights the strategies of securing “contributed” income to augment “earned” income and concludes that the application of commercial marketing principles is the key to success in theatre business and that, if it is well envisioned, theatre business can thrive viably like other businesses.

Introduction

FIRSTLY, the idea of business in the theatre, it should be noted, could be repulsive to an economist or an industrialist who

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believes that for a product to have market value, it must be concrete, tangible and motivated by economic needs. Therefore, the intangible state of the theatre poses a great challenge to its viability as business, because it cannot be touched and possessed physically, and by virtue of this state, it may suffer perceived lack of value. However, the theatre is validly an idea, and ideas can be packaged and transformed into valuable services which can be provided to satisfy the needs of a segment of the consuming public.

The business activity of a theatre organisation entails its products which could be the physical productions, referred to as “Central experience”, or they could be additional or auxiliary services which may include rental of space and other company equipment such as lights, sound system, and also, catering, audio and video recordings, which are all described as “extended experience”. (Elizabeth Hill et al. 107)

The growth of the service sector industry is perhaps one of the most striking features of modern society. According to Tom Cannon (210), service is an “intangible product involving a deed of performance or an effort that cannot be physically possessed”. Service is usually provided through the application of human and/or mechanical effort directed at people or objects (Pride and Ferrel: 325). Service industries are extremely wide-ranging and encompass some of the largest commercial concerns. The following is a selection of just a few service industries: Advertising, Airline, Banking, Barber Shop/Hairdressing Salon, Cafes, Car Hire, Cinemas and Clubs, Hospitals, Hotels, Restaurants and Recreation Centres, Sports, Telecommunications, Theatre and Performing Arts.

On the other hand, a product is defined as anything that can be offered to a market for attention, acquisition, use or consumption and that might satisfy a want or need (Evans and Berman: 244; Kotler and Armstrong: 239). The marketing of services such as tourism, transport and the theatre, as distinct from products which can be handled and examined, presents special problems and opportunities which make their marketing particularly interesting.

(Tom Cannon: 213) informs us that some service industries are actually closer to the product model than others. The theatre seems to have this potential because at the idea stage it presents the character of “Art” reconsidered here as “Art commodity”, usually seeking support and funding. When it is fully rehearsed and ready to be advertised for consumption or patronage, it transforms into a product, or what Eric Bentley (20) calls “commodity” and what we now refer to as “Commodity Art”.

Trying to distinguish between Art and Commodity, Bently states thus:

The relation of art to commodity is seldom simple and particularly in the theatre, art has seldom or never flourished in absolute independence of commodity. It is well known that dramatic art has most often had to exist in the commodity theatre or not at all. (p. xvi)

What make arts marketing different, for instance, is the special nature of the arts experience and the centrality of the customer in creating that experience. Services under which the theatre belongs have certain characteristics which products such as soap powder or wristwatch lack Bateson (98) and Evans & Berman (246) classify them into four, namely: Intangibility, inseparability, heterogeneity/variability and perishability. However, there are two additional features we would like to consider, they are: Lack of ownership (Tom Cannon: 213) and high customer contact (Pride and Ferrel: 352)

Intangibility

Quite unlike physical products which can be handled and owned, in most cases no one can touch, smell, taste or take apart to examine the working of a service. They are experiences rather than objects and a potential customer cannot inspect a theatrical performance before purchasing a ticket in the same way, he might for instance ask to test-drive a car before purchasing. Cannon states that when purchasing a new television set for example, the service in the shop may be terrible and the staff unpleasant but the product itself can compensate for that, Whereas the same does not apply for a service. According to him:
The facilities of a restaurant, the attitude of the staff and the quality of cooking determine to a far greater extent the customer's rating of the offering (p. 212)

In another breath, Elizabeth Hill et al. believe that there is a sense in which the problem of intangibility in theatre marketing can be made into an opportunity. There are potentials for retailing ancillary products which have value from their relationship to the main offering. Ancillary products such as theatre programmes, posters, audio and video recordings, books and memorabilia are described as "peripheral" and can be used to complement "core services." (Evans and Berman: 639)

Inseparability

Production of service and consumption occur at the same time whereas products or concrete goods are bought and used by consumers sometime after manufacture. In a theatre, the same time that the play, i.e. production, is taking place is the same time it is being watched, that is, consumed by the audience. Cannon states that this limits the scope to which dealers, distributors or agents can be effectively used and places considerable emphasis on the skill and attitude of those involved in the selling. For art collectors, the impulse to own may be a basic motivation but it is still inseparable from the intangible benefit of aesthetic pleasure.

Heterogeneity/Variability

In the theatre, no two performances can ever be the same. Even for an art object which does not involve performance, the experience of its value varies depending on the people appreciating it on different occasions.

The quality of service depends on who provides them as well as when, where and how they are provided (Kotler 265)

The service sector is a people business and just as people are different, the variety underlying the arts needs to be a constant theme in marketing and promotional strategy.

Perishability

Like the issue of intangibility, this is a fundamental source of difference between products, which can be stored and serviced and which need immediate consumption. Unsold tickets for a performance on a particular date are lost forever as income opportunities, even though the organisation will have borne the full cost of preparing for the show and providing the service. The perishability of services is not a problem when demand is steady but when demand fluctuates, service firms often have difficulties.

Synchronising supply and demand in a business where what is manufactured cannot be stored is a perennial dilemma for marketers in any service industry. (Elizabeth Hill et al 250)

Lack of Ownership

In addition to the above, Cannon (213) maintains that in the service industry, access to or use of a facility does not mean that the customer obtains ownership of it. Attendance of a show in a theatre confirms this point. Also, the hotel room and a car can only be hired for a period: ultimately possession reverts to the firm offering the service. Even for art works and intellectual property which may be paid for and taken home, the rights of ownership usually still remain the artist's.

High Customer Contact (Centrality of Customer)

Theatre marketing is basically "relationship marketing". This is a perspective which emerged in the '90s as a model on which to base marketing thinking in the arts. Instead of limiting itself to tactical selling or promotional activity in order to maintain or increase pattern of purchase, theatre marketing should address the issue of forming and making long-term relationships with customers. Such relationships are not only essential to the financial security of theatre organisations, but also to their missions. J. K. Smith (471) states that by building relationships with their customer, some organisations are able to record impressive sales and profits even when overall market demand is down and other organisations are doing poorly or even withdrawing from the market.

We do know that people are at the centre of any business, providing the direction and motivation behind its development and
functions of cultural preservation and social mobilization by
civilizing and entertain the citizenry. This is perhaps because of
its direct link to the traditions and cultures of the people. But then,
culture, we believe, can be re-packaged by artistes and the artistic
products resulting from this can be commercialized. In other words,
through the arts, culture can and should become good business.
Basically, marketing activities in the theatre are operated as
regards funds and audience. All other factors and considerations
that may come up would have some association with these two
crucial theatre marketing thrusts. For effective fund generation,
audience development and profitable business in the theatre today,
the following marketing strategies are proposed:

(i) Commoditising and branding of theatre products
(ii) Adopting a special pricing strategy
(iii) Developing effective promotion techniques
(iv) Exploiting ancillary income generation ideas

Commoditising and Branding of Theatre Products

Commoditisation in the theatre refers to a method whereby
artistic concepts are conceived, developed and packaged as
specific products or commodities with name labels that are
distinctive and capable of attracting good patronage. These
concepts could be whole production ideas or components of a show,
such as the venue, the artistes or other features capable of
attracting the interest of the audience and prospective sponsors.

A theatre product brand, on the other hand, is a production idea
or a theatre commodity conceived and offered in the market as a
regular feature where its name and conceptual characteristics are
retained for a long time. A branded theatre commodity therefore is
a seasonal or regular show with a trademark that can always be
identified with the producing organisation. The difference
between a production idea or concept that is only commoditised
and not branded is that while the branded product remains a
regular feature of a theatre company with its trade name and basic
concepts unchanged, a commoditised but unbranded theatre
product could be featured or offered once and for all, i.e. as a one-off.
The marketing of a branded theatre product never really stops since, technically, it enjoys a continuous presence in the market place. For instance, at the end of a season of productions in one year, by a company with a product such as 'Annual Easter Drama Fiesta', marketing activities for another year can commence almost immediately. This is made possible and convenient because the name of the product will still be the same and the basic concept of production also remains the same. As such, audience members and prospective sponsors or partners are already familiar with the brand name and so would most probably respond positively to its patronage.

In a subscribed theatre, patrons and contributors can be contacted with information on the next Easter Drama Fiesta. Public relations gifts such as calendars, diaries and memo pads can be sent to patrons on the mailing list of the theatre company with customised information on the forthcoming show. Moreover, solicitation activities can commence with corporate organisations already in partnership with the theatre company and or prospective ones for sponsorship considerations. Finally, commoditised and branded theatre products are certainly better positioned to attract sponsorship and a considerably large audience because of their conceptual uniqueness and audience orientedness. And once such products get popular, they become the toast of the market. Consequently, the ensuing large subscription fee and mass patronage of the products become the sustaining financial power which guarantees the survival of the theatre company. Below are examples of branded theatre and entertainment products. (See page 31)

It should be noted however that there are no hard-and-fast rules to this idea. A branding device can be a flexible and elastic tool. Anything can be commoditised or branded, such as the name of the theatre. Even for single, one-off productions, the title of a play, the author, the lead actors or even the director can be used as brand names so long as they are well positioned and packaged to attract interest and patronage by prospective sponsors and the audience.

<table>
<thead>
<tr>
<th>Product</th>
<th>Type</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational Theatre Support Programme</td>
<td>An annual educational theatre production for secondary schools in Lagos</td>
<td>Fezi Productions</td>
</tr>
<tr>
<td>Nite of a thousand Laughs</td>
<td>A seasonal comedy show organisation.</td>
<td>Virgin</td>
</tr>
<tr>
<td>Concert Theatre</td>
<td>An annual concertized theatre production</td>
<td>Centre Stage Productions Lagos.</td>
</tr>
<tr>
<td>Crack Ya Ribs</td>
<td>An annual entertainment and comedy show</td>
<td>Julius Agwu and Company.</td>
</tr>
<tr>
<td>AY Live</td>
<td>A seasonal comedy show</td>
<td>AY Productions</td>
</tr>
<tr>
<td>Independence Theatre Fiesta</td>
<td>An annual theatre presentation for the celebration of Nigeria's independence on October 1</td>
<td>Centre Stage Productions.</td>
</tr>
<tr>
<td>Easter Musical Concert</td>
<td>An annual musical concert</td>
<td>Prime Time Entertainment.</td>
</tr>
<tr>
<td>Stand Up Nigeria</td>
<td>A monthly comedy show</td>
<td>Afrotainment Productions</td>
</tr>
<tr>
<td>Rhythm Unplugged</td>
<td>An annual stand-up comedy show</td>
<td>Basketmouth Productions</td>
</tr>
</tbody>
</table>

It is this branding approach that Alvin H. Reiss, in his book *Don’t just applaud, send money!* (the most successful strategies for funding and marketing the Arts), describes as “Artistic Concept” (91). He recommends that when a fund-raising event is being planned and organised, it should be tied to a good artistic concept. In another book, *Cash, Funding and Promoting in the Arts* Reiss (11) affirms that “organisations with poor artistic products and no discernible artistic policies will have tough times attracting audiences and raising funds”

**Pricing Strategy in the Theatre**

Theatre organisations, like all service providers, face serious pricing dilemmas because they cannot prove the quality and reliability of what they are offering to their customers in advance. Therefore, to determine an acceptable ticket price level for their
shows, theatre organisations must first of all assess the value customers place on their previous experience of the service. The audience will have some preconceived views as to the likely nature of the experience, but it is not until after the performance that they will be in a position to judge the value gained for their money.

Factors influencing ticket price in the theatre are: Organisation's objectives, nature of the market and competition.

**Objectives:** Most manufacturing companies set their prices basically on profit-oriented objectives in order to earn a rapid return on investments, whereas theatre organisations are characterised by diverse objectives. Indeed the aim of making profit in order to make financial returns to shareholders may be an influential factor in pricing decisions to some outfits that are commercially oriented, but most subsidized theatres do not expect earned income to cover all the costs of the company. In this case management will work out a ticket price policy that will ensure that the combination of earned revenue and public funding is sufficient to cover cost. (Elizabeth Hill et al: 120)

Also, if a theatre organisation decides to work on audience development, it may decide not to maximise profit on a particular popular event and charge minimally. It may also decide to offer incentives for loyalty by making discounts available to regular attenders.

Again, one of the purposes of public funding for the arts is to offer cultural opportunities as widely as possible for the community. For this reason, ticket prices are set especially in subsidised theatres to permit audiences regardless of their financial status to participate in the arts. This indeed is one of the paradoxes of the commerciality of the theatre. As Elizabeth Hill et al put it:

"A latent conflict exists between access objectives and income optimization in the arts which forms a constant ideological backdrop to ticket pricing".

An average theatre organisation wishes to attract as large and as variegated an audience as possible; it also wants to use box-office income to minimise its financial difficulties. Baumol and Bowen (272) inform us that a price policy that serves one goal may not always promote another.

Even if the objectives of pricing policy were to be purely deficit minimisation, the implications for pricing decisions would not be automatic. This is because an increase in box-office price may indeed raise receipts per customer, but it can also bring about a decrease in the number of customers. For instance, a theatre organisation charges about ₦500 for all seats and it draws an average of 2000 customers. If the ticket price is raised to ₦600 and audience size drops to about 1,500, then the breakeven point receipts would have been on the decline.

**Nature of the Market:** The type and position of the market and the kind of offering or product could be used as a yardstick in determining price level. Ordinarily, pricing decisions, like other marketing mix decisions, ought to be buyer-oriented, but a company often finds it difficult to measure the value that customers will attach to its products or services. Given the fact that pricing methods for products by most companies are cost-based, certain services could adopt a demand-based or value-based method for setting their prices. For example, calculating the cost of ingredients in a meal at a fancy restaurant may be easy, but assigning a value to other satisfactions such as taste, environment, relaxation or status may be difficult, if not impossible. Therefore, high-profile, status-conscious venues and companies may charge high prices because part of the pleasure experienced by the customer derives from the exclusivity of the offering and high price is the main factor which creates that exclusivity.

Also, there are a number of pricing strategies which can be used to induce increased ticket purchases for audience development and patronage in the theatre. These include: Seat location, time of performance, subscription, discounting, group sales / booking.

**Seat Location:** In a theatre advantageously located seats, such as front row seats where good visibility and comfortable leg room are assured, could attract slightly higher ticket prices than other seats.
Some people who value their comfort or who for other corporate and status reasons go to the theatre will be happy to pay extra for the special privilege.

*Time of Performance:* Usually, weekends and public holidays are traditionally popular times for entertainment and audiences are generally prepared to pay more at such periods than at other times. Therefore, reduction of ticket prices or what is called "price discrimination" can be used as a tactic for managing demand and encouraging attendance at less popular times. Martinees are good examples of this. According to Elizabeth Hill et al.

*Only a limited proportion of the total potential audience is available during the afternoons, so prices are generally set lower than at other times (p. 159).*

*Subscription:* As a method of encouraging forward buying of a product or service, subscription schemes have been in existence for hundreds of years especially in America and many parts of Europe. The subscription method of ticket sales is not popular in our developing Nigerian theatre but it is strongly recommended because.

*Subscription is supposed to motivate people to an instant long-term commitment to the life of an arts organisation and the benefits reaped from the kind of commitment are enormous upfront money, a guaranteed audience, cost efficiency and opportunity to programme adventurous work along with the traditional (Marrison and Dalgeish, 22).*

Speaking in favour of the season ticket or what he calls the "subscription series" or "patron ticket", Stephen Langley (215) also reasons that it is easier and less expensive to sell 10 tickets once to one person than to sell 10 tickets, at 10 different times to 10 different people. Therefore, "any system that encourages multi-ticket order is desirable".

*Discounting:* Concessions such as discounts differentiate prices not on the basis of features of the service, but on the basis of the characteristics of the potential customer. This notion is invariably associated with the strategic policy on *access* which arts organisations see as part of their brief. Again, for a perishable product such as a theatre event, if the curtain goes up and some seats are still not filled, the opportunity for income from those seats for that performance is lost forever. It might make sense therefore for the theatre manager to discretionarily bring down the ticket price. Concessions and discounts are however considered more for the elderly, the unwaged, students and children. Following a research carried out on the relation between ticket prices and income groups, Baumol and Bowen (282) discovered that free performances and low-priced tickets attract younger clientele, students, teachers and lower-income professionals. And it is predictably certain that if standard price levels are charged, these groups might be unable to afford tickets. Discounting is an integral part of a subscription scheme. By reducing ticket price for a season, theatre organisations are providing a financial incentive for potential audiences to commit themselves and by attending all the performances, audiences can save some amount of money, so the psychological attraction of the discounts are considerable.

*Group / Sales Bookings:* In the same way in which manufacturers of tangible goods offer discounts for bulk purchases, theatre organisations offer discounts for tickets purchased in bulk by a group. Although it is essentially an incentive for the theatre customer, it provides for the *organisation* the value of a guaranteed audience for a large number of seats purchased by the group or groups. As already noted, a theatre seat has no value after the event has taken place, so the prospect of filling the hall with bulk sales and reduced ticket prices, which at least contributes to the reduction of overheads, is an attractive one.

*Developing Effective Promotion Techniques*

It is already established that the only way to inform the public about an event is to publicise and promote it in the various media available. For the promotion to be effective and achieve its desired result, however, it must be specifically targeted at an audience. This means that the potential target audience needs to be identified for every project to be embarked upon by an
organisation. Then, the most suitable media for selling to each potential audience must be chosen. Different media may make sense for different target groups. For instance,

- E-messages or Bulk SMS is a new way of reaching customers
- Direct mail is recommended as a central part of most marketing plans, but less so for young audiences.
- Telesales and advertising could be very effective especially for group bookers and lapsed attendees.
- Radio advertising can be an effective way to reach younger markets.
- The print must be used imaginatively the challenge is to find fresh ways of presenting information about a production through words and images in a way it will convey an accurate and appealing sense of what a production is about.

It should be noted that though the advertising spend needs to be cautiously determined, there should not be any feeling of lethargy about the worth and importance of advertising in the theatre. It must be part of the total plan of the production. It must begin as soon as the production is commissioned or scheduled to happen, and it must be focussed, aggressive and result-oriented.

Arguing for effective and timely advertising, Danny Newman (59) takes a swipe at some board members and theatre managers who take a measure of snobbish pleasure in empty seats in the auditorium. According to him, these board members or theatre managers believe that once they have raised all that money for the building, paid for the best in artistic direction, casts, sets and costumes, and provided all of the expensive accoutrements of theatrical production and presentation, they have done their civic duty. And so, it is the audience’s duty to come down and buy the tickets. In a rather sarcastic analogy, Newman posits that:

...Imagine one of these men who happens to be a merchandising tycoon, building a magnificent new department store, stocking it with the finest goods just hoping that the public will show up and if they don’t, shrugging it off saying, “Well I suppose the residents of this area aren’t just ready for a store this fine”. You can be sure that he will act differently. That he would in fact have been promoting his head off long before the place opened its doors to be sure the store would be jammed with customers from the very first day. (59-60)

Target Marketing

The idea of a target market is based on the concept of market segmentation—the thought that any market with divergent demands will consist of a number of smaller markets. The marketer is then expected to identify these segments and set up targets by taking into consideration the characteristics of the potential customers in these segments.

The study of audience behaviour leads us to the conclusion that potential audiences consist of subgroups of individuals with similar needs, characteristics, motivation and buying practices. Any attempt by theatre organisations to venture to attract members of all of these groups at the same time for the same event will be unrealistic.

Target marketing in the theatre is the process by which the specific needs of different parts of the total potential audience are matched with the artistic product being produced. This process has two distinct steps: first, market segmentation whereby the marketers identify the nature of the relevant subgroups for their organisations and second, market targeting whereby different activities are aimed at different groups using different marketing techniques (Elizabeth Hill et al: 40).

Market Segmentation

A market segment simply consists of buyers with similar needs and wants, and markets can be usefully divided up according to those buyer needs. Different groupings will be appropriate in different markets and one of the most important tasks of the marketing function in a theatre organisation is to identify the most appropriate ways to divide up their potential audience. There are four broad bases or variables for market segmentation.

(i) Demographic segmentation: Demographers study aggregate population characteristics such as the distribution of age,
gender, fertility rates, migration patterns and mortality rates. Demographic characteristics that marketers commonly use in segmenting markets include age, sex, race, ethnicity, income, education, occupation, family size, family life cycle, religion and social class. “Marketers rely on these demographic characteristics because they are often closely linked to customers’ needs and purchasing behaviour and can be readily measured” (Pride and Farrel 233).

(ii) **Geographic segmentation:** This variable includes climate, terrains, natural resources, population density and sub-cultural values. Audiences can be divided up according to where they live. First of all, theatre organisations have to identify their geographical catchment area. For instance, certain areas are more likely to house young people, families, the elderly, the unemployed, student, etc. When the targets is determined, they should be reached with the most appropriate promotional materials and strategy with relative accuracy and a minimum of waste of promotional expenditure.

Tourists, for example, may form another discrete geographic segment. Their needs may quite be different from the local people and they are more likely to be attracted through posters, handbills and literature in hotels and tourist offices than direct mail or newspaper or even television advertising.

(iii) **Psychographic segmentation:** Psychographic variables include personality characteristics, motives and lifestyles.

A psychographic dimension can be used by itself to segment a market or combined with other types of segmentation variables. Elizabeth Hill et al ascribed psychographic segments to attitude groupings. Quoting Diggle (1984), they state that potential audience for the theatres comprises:

(a) **Attenders** – those with a positive attitude and who attend shows from time to time.

(b) **Intenders** – those who think it is a good thing and like the idea of attending but never seem to get around to it.

(c) **Indifferent** – those who have no strong opinion about the theatre and no desire to attend either.

(d) **Hostile** – those who dislike the idea of the arts altogether and have no intention of participating.

This classification is similar to what Morrison and Dalglesh (7) note in their book as the “Yeses” the “maybes” and the “Nos”.

The extent of marketing activity and resources required to encourage participation in the arts by attenders at the top of the ladder is far lower than that required to change the attitude and motivate behaviour amongst the indifferent and the hostile groups.

(iv) **Behavioural segmentation:** Companies can divide a market according to some features of consumer behaviour towards a product or service commonly involving some aspects of patrons. For instance, a total market may be separated into users classified as heavy, moderate or light and non-users. For the theatre, this variable can be examined in five ways:

(a) **When do people attend shows?** This questions refers to those who prefer to attend martinees as against evening performances and those who prefer weekends to weekdays.

(b) **Why do they attend?** Usually, people attend shows in the theatre because they want to:

(i) Celebrate (events such as birthdays)
(ii) Socialise (with friends or colleagues)
(iii) Do business (entertaining clients)
(iv) Learn (either for self-development or linked with formal education)

These groupings can be useful when planning programmes and designing promotional activity for a theatre production.

(c) **Under what circumstances do they attend?** Some people come to the theatre when there is nothing good on TV or when there is nothing doing or when they are on holiday.
Some attend based on a promotional message and the names associated with the show.

(d) **How knowledgeable are they?** Different programmes will attract those with different levels of expertise, exposure, experience or indeed confidence in the art form being presented. Musical programmes, for instance, can be classified into popular and the high brow, and certain work may be accessible to relatively wide audiences with little or no music education while others are enjoyed more by those who are able to enjoy the subtleties of technique and form. Failing to segment the market in this way can alienate them from future events.

(e) **How often do they attend?** Those who are frequent and committed attenders need to be approached in a different way from those who attend occasionally. Season tickets, subscription schemes, friends and members club and similar activities may be appropriate for those who see the theatre as a central part of their lives. Little inducement is required to encourage them to attend, so the marketing emphasis to this group should be on providing information. The irregular attenders are far more challenging as a promotional target. The promotional campaigns need to be more intrusive, as this group is not actively seeking information about theatre and entertainment events.

**Market Targeting**

Market targeting is the process by which those subgroups are approached with appropriate offers. Theatre companies are usually faced with a choice between a concentration strategy and a multi-segment marketing strategy.

**Concentration strategy:** This is basically employed by theatre groups which have a specific mission which requires them to focus their activities on a single market segment, such as young people, the physically challenged and ethnic minority groups. The theatre company targets its productions and promotional efforts at just one fairly homogeneous group.

**Multi-segment marketing:** Some organisations work to attract a diverse audience and serve a wide range of people within their boundaries. Organisations following the strategy usually find it difficult to position themselves in the minds of their potential audience. This is because some of their offerings may not appeal to a subsegment of that audience group and the theatre company may lose such people for future events. Also, communicating with a number of different segments can be costly apart from requiring marketing expertise.

**Exploiting Ancillary Revenue Generation Activities**

There are several other ancillary revenue generation activities and strategies that arts organisations can tap to augment their income. These are basically entrepreneurial activities and they fall under the earned income category as distinct from contributed income.

Although caution needs to be exercised on these ancillary revenue generation items in order not to distract management from the main business of the organisation, there is yet no limit to the extent to which they can be explored. These activities include the provision of a snack bar, tea shop, souvenir store, newspaper stand and others in and around the building. Some of these shops may be run directly by the management of the theatre and some of them may be operated on franchise.

Elizabeth Hill *et al.* (107) described this ancillary income generation scheme as “extended experience”. They suggest that offering an extended level of experience has a special role in arts marketing. For them the intangible nature of the theatrical offering can be rendered less so by surrounding it with various ancillary products. Using the Royal Opera House in Covent Garden as example, they inform us that—

> customers can not only buy tickets to the opera, but also diaries, calendars, recordings, barber of seville marmalade to make their transient experience of art more memorable.
Stephen Langley (261-271) further noted that some revenue can be generated by:

(i) Selling adverts in printed production brochure
(ii) Renting the theatre auditorium to other users depending on how actively the theatre uses its facilities
(iii) Renting of equipment such as lighting, sound equipment and costumes
(iv) Operating and leasing concessions such as public pay phones, restaurant or eatery mobile toilet booths etc. soft drink machines, candy machines and coin-operated toilet booths. At this juncture, it should be noted that for marketing and public relations consideration, whether the theatre runs these businesses directly or through concessional rights to external operators, the theatre management must accept responsibility for everything that transpires in the building. If a customer is short-changed in a lobby gift shop, for instance, they will most probably complain at the box office or to the theatre manager as they will do if they receive poor service at the theatre restaurant, notwithstanding whether both the theatre and the space operator are merely tenants under the same roof with no legal or business relationship. But when the theatre is itself the landlord that leases out a concession space, it should devise agreements with operators which will protect the image and interest of the theatre. The theatre landlord should reserve the right to evict the tenant operator if, for example, the latter does not maintain certain standards of cleanliness, customer service and product quality.

In addition to this, theatre productions companies today should be a bit more adventurous and can venture into television and film productions, concerts and variety shows, pageants and so on in order to generate additional income.

Conclusion

Commercial marketing is very essential and useful to the arts, especially the theatre, be they profit-taking or otherwise. This is so simply because they need to be massively patronized and be financially viable in order to remain in business. The application of the principles of the marketing variables, product, price, place and promotion have been emphasised as crucial in developing effective marketing strategies in the theatre.

Indeed, the idea of theatre business must go beyond the show and be seen as a total commercial enterprise package. Its practitioners must be conscious about the nature of the business, the marketplace and the need to break even as well as make profit in their operations. This is so because without profit, no business organisation can be solvent.

In addition, it is important for a theatre to define and segment its market. Target marketing is highly recommended. It will assist in developing an effective marketing strategy because without a strategy based on knowledge of the marketplace, there will only be random ideas without a guiding purpose. Looking for an audience where there is none will amount to wasted promotional effort and loss of money.

It is also recommended for theatre organisations to adopt a new method of commoditising and branding their offerings. This is a concept of developing specific product or brand names for their productions in an attractive and enduring way. Branded products are supposed to be labeled and are expected to remain in the market for long enough to make them become regular market items or household names. Examples of branded theatre products can be regular, annual or seasonal productions; repertory productions or those devised for special festive periods; children’s shows, productions for business or the corporate world and so on. The name of the theatre company could also be branded. The advantage is that this system will assist in properly positioning the products and brands in the market and making them easily identifiable, more marketable and also targeted at specific audience groups.
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