Digital festival

Market research on digital Arts & Culture experiences

Photo: Thor Brødeskift

npu Norsk Publikumsutvikling

Rasmussen Nordic

Introduction

Bergen International Festival transformed into a digital festival in 2020 due to the lockdown following the COVID-19 pandemic. The festival converted into a free non-ticketed series of live streamed events, curated around a mix of live and prerecorded concerts and performances without live audiences. After the festival period in May and June they had registered over a million started streams in 116 countries. Based on experiences from 2020 the 2021 edition is being planned as a ticketed hybrid festival with both in person events and digital events sold to audiences.

Norsk publikumsutvikling (NPU) is a nonprofit organization working to widen arts and cultural participation through audience insight and sharing of best practice among our members. As a member of NPU Bergen International Festival asked us for advice; Will there still be a demand for digital programs when the pandemic is over, and what will different segments of the audience be willing to pay for digital participation? How much should they charge for hybrid events?

NPU is a lean organization cooperating with agencies and consultancies in the US, Europe and the Nordic countries. In this case we turned to Rasmussen Nordic, a danish based consultancy helping museums, theatres, orchestras and other cultural organizations to strengthen their content, programs, business and strategy. As Rasmussen Nordic is currently piloting a digital concert hall for danish orchestras ensembles and operas, they where the perfect partner for this project.

The following report and recommendation is based on a deep dive into the COVID-19 Monitor Dashboard set up by Norsk publikumsutvikling in cooperation with WolfBrown(US), and desktop research and interviews with leading communications and business managers internationally, carried out by Rasmussen Nordic.

The report recommends pricing of digital products based on existing insights and knowledge acquisition from the international market, in relation to similar digital products, target groups, digital packages, and content.

TicketCo provides FIB with streaming and digial production services during the festival and they agreed to coorporate on this project to help heighten the probability for a successful digital streaming strategy.

Content

Part one

Audience Research – Demand for digital cultural events and willingness to pay

About COVID-19 Monitor

How did the pandemic affect audience behaviour during 2020? Are audiences willing to take the risk of going out as the institutions gradually reopens, and what role can digital substitutes play in this situation? Is there a growing demand for digital events over time?

COVID-19 Monitor is the Norwegian branch of AUDIENCE OUTLOOK MONITOR initiated by WOLFBROWN (US). It collects feedback from audiences as the pandemic develops and affects audiences readiness to return and demand for digital alternatives. It has been carried out by Norsk publikumsutvikling (NPU) in cooperation with WolfBrown. Feedback was collected in May, September and November 2020 from a total of 13000 respondents who received a standardized survey from one of twenty-one participating NPU member organisations.

As NPU members they had access to the COVID-19 Monitor Dashboard, and could do their own drill down analysis, filtering on different dimensions like frequency and eagerness to return, and compare their own audiences to others in the cohort.

We have been monitoring comfort levels, trust and willingness to take risk by going out and visiting arts and culture events during the pandemic, and we have examined audiences attitudes to different types of infection control measures. The following report is based on questions from Bergen International Festival and TicketCo concering only demand for digital cultural events (concerts and performances in particular) and willingness to pay in different segments.

The respondents

- Active customers in 21 institutions (Dance, Opera, Orchestra, Museum Theatre)
- Age profile: 55+ (biggest cohort 65-74)
- Gender: 7 out of 10 women
- Frequency: 2 to 5 visits per year
- 50% live together with people who are vulnerable to Covid-19

Sending organisations

Arktisk Filharmoni
Bergen Filharmoniske Orkester
Bergen Nasjonale Opera
BIT Teatergarasjen
Bærum Kulturhus
Dansens Hus
Den Nationale Scene
Den Norske Opera & Ballett
Det Norske Teatret
Henie Onstad Kunstsenter
Hålogaland Teater
Kilden Teater og Konserthus
Munchmuseet
Nationaltheatret
Nordland Teater
Opera Østfold
Oslo Nye Teater
Rogaland Teater
Stavanger Symfoniorkester
Teatret Vårt
Trøndelag Teater

Digital programs

Interest, willingness to pay and customer journey among frequent attenders of Norwegian theatres, orchestras and museums i 2020.

Findings

See figure 1, p. 60

Finding 1: Declining readiness to return to physical events

6 out of 10 are not ready to return in person as soon as it was legally allowed in May. In November 7 out of 10 wil NOT return as soon as it is legally allowed.

In May and September there is no significant differences between age groups.

In november there is a significant difference between younger and older segments.

Younger segments are now more eager to return that older.

See figure
2 – 3, p. 60

Finding 2: High frequent and older segments are more engaged with digital substitutes than younger and low frequent segments.

We see a decline in participation over time that reflects what was on offer.

In May there was an outburst of digital content from the supply side never seen before due to the lockdown.

In September the supply side was not very digitally active – focussing on getting “back to normal” – securing audiences that it is safe to return to their physical venues.

In November there was a new lock-down situation in many areas. The supply side was a bit more digitally active (like The Norwegian Theatre offering direct stream of performances), but the supply side was not near as active as in April and May.

See figure
4 –5, p. 61

Finding 3: There is a growing expectation for digital content to become a permanent solution after the pandemic is over.

Lower frequency segments are more likely to consider digital to be a permanent solution.

See figure
6 – 7, p. 62

Finding 4: Watching from home feels safer than indoor without fixed seating

There is a growing preference for attending online from home in all age groups – older segments are likely to report even higher interest than younger.

See figure
8 – 9, p. 63

Finding 5: Who paid for digital content?

There is a decrease in numbers who paid for digital content between May and November, but there is an incerase in numbers who paid for ticketed culture experiences.

This reflect the situation in the Norwegian culture market. In May digital content was offered for free. In November institutions had started offering digital content as ticketed events.

Younger segments has both donated more and paid more for ticketed cultural events.

There seems to be a generation gap in attitudes towards payment for digital content.

See figure 10,
p. 64

Finding 6: Preference for live stream by younger and more low frequent users

Low frequent and younger segments are more likely to see a big difference between live and recorded, and to prefer live.

Younger and more willing to pay segments are more interested in live stream than prerecorded content.

Finding 7: The value of Live stream – in respondents' own words

It happens there and then, as art and culture should.

It provides a more authentic experience. You must be there when it happens

There is a big difference between watching something performed live (where unforeseen things can happen) and a recording (where you do not know if unforeseen things have been removed).

Small "mistakes" or omissions will make the experience more real - it retains one of the charms of theater. Real time gives more "excitement", it is not known in advance how the actors will "succeed" this time with the performance. It is precisely the nerve of the live performance that makes it so exciting. A recording will look more like a film, which is also perfectly fine of course, but live gives a completely different value.

Community and togetherness

It felt so close and inclusive even though everyone was sitting in their own living room.

The feeling of community I think is stronger during direct stream The feeling of participating in a community. Experience "fresh" art.

It creates a certain sense of community, you can also watch a livestream from home with friends so that it still becomes social.

There is, of course, something illusory about it, but you feel united when you take part in something that happens at the same time, and when you know that the performers are acting at the same time.

The good feeling of community by watching a concert with 20+ of my friends over video chat at the same time!

See figure 11 –17, p.65

Finding 8: Online customer journey – motivations and barriers

Biggest motivation for digital participation (73%) was lockdown.

Younger segments are more motivated by supporting artists and sharing experiences with others then older segments.

Younger segments experience more barriers than older ones – most important barrier for younger segments is to much screen time already and lack of interest in digital art programs.

Younger segments are more likely to have discovered new artists and artworks online.

Middle aged and younger segments are more likely to have watched online content together with multiple others.

See figure 18 – 20, p.68

Finding 9: Programs, formats and add-ons

Respondents across age prefers the concert - live or prerecorded – over programs that goes in depth and behind the scenes.

Younger segments are much more likely to see the difference between live and prerecorded, and to value the social aspect of live over the «whenever it suits you» –offer.

Over 54% prefers a live streamed concert as it is performed (not live on tape) over an edited 90 minutes recording available on demand (27%) and a shorter version with musician insights (19%). «Available on demand» has most supporters in the age cohort between 55 and 75.

Printed programs and interviews with musicians and composers in the intermssion can enhance the experience a little on average between the age groups. Chat-options with musicians and social interaction between audiences is considered to detract from the experience by most – and across age groups.

Only 2 out of 10 prefer to watch digital concerts from their local music organisation. Near 8 out of 10 have no preference – meaning they are up for grabs by other producing organizations online.

Se figure 21, p. 70

Finding 10: Chat-functions and interactivity can detract rather than enhance the experience for high frequent users of in-person events

A ten minute introduction to the program by the featured artist is enough. Or a printed program with detailed insight into the work to be performed.

Q&A-segments and chat functions, or use of emojis to express feelings and engagement, will not enhance the experience for high frequent in-person attenders across age groups.

It might still be attractive to new audiences and non-users of in person events.

See figure
22 –25, p.71

Finding 11: Willingness to pay

There is an average willingness to pay 200 nok for a single live cultural experience.

There is higher willingness to pay for livestreamed events (>200) then prerecorded events (<200).

There is an increased demand and willingness to pay for prerecorded events as opposed to livestreamed events when communicated as something you can «see whenever it suits you».

Age cohort 35 to 54 is more willing to pay than other age groups (across three waves).

Part two

Industry research: International benchmark

The research data

The industry research aims to uncover what orchestras, ensembles and classical festivals in Europe and USA offer digital audiences and how they package and present it.

RasmussenNordic looked at culture business strategies, market opportunities and digital innovation to give FIB an idea of what is already out there and what works with digital audiences when it comes to pricing and content formatting.

The industry research looked at the digital classical market in general in Norway, Germany, France, USA and UK.

In addition RasmussenNordic conducted 7 interviews with the following organizations:

- Pasadena Playhouse
- Göteborg Symfoniker (GSO)
- English Symphony Orchestra (ESO)
- Cleveland Orchestra
- Wimbledon International Festival
- Oxford Lieder Festival
- Det Norske Teater

The data from the industry research showed a general lack of digital business strategies and audience mapping and therefore only offers limited information on these subjects.

Part two

Industry research: International benchmark

The market and competition

Findings

Finding 1:

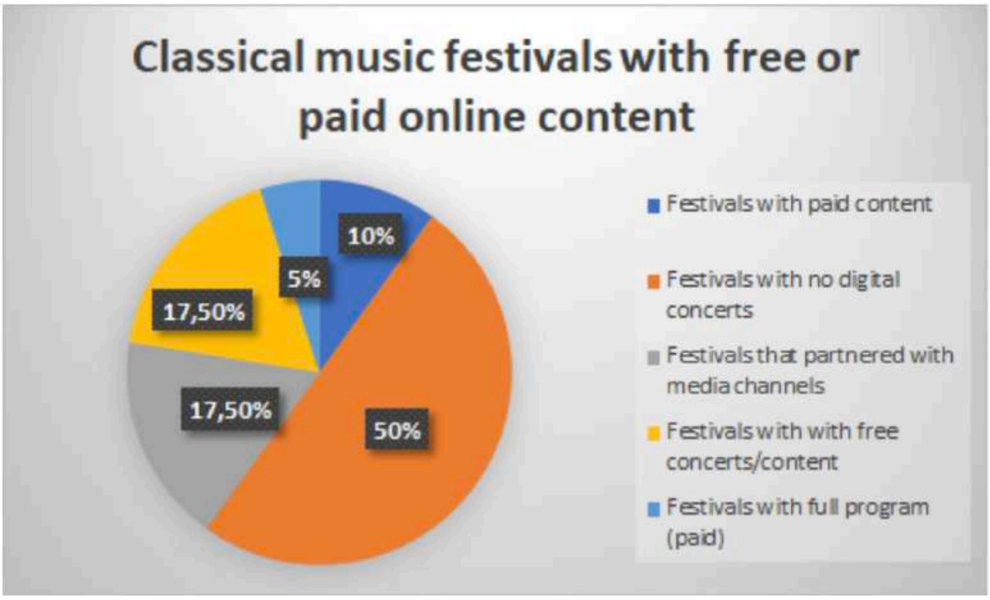
The current market is very immature and while there is competition, mostly from the amount of free content, there is a significant lack of strategic competitors on the market with strong audience targeting.

There is a good oppotunity to be front runners on the market and therefore establishing FIB in top-of-mind with the audiences as a digital paid festival.

You should be most mindful of the orhestras with subscribtion platforms as players on the market. This is because they provide all-year-round content and tie people to them with a fixed amount a month that will make it harder to convert these audiences to online festival goers.

Only few classical music festivals offer paid digital concerts

- Overview of 58 festivals in the initial research:
- Of the German festivals 1 offered 2 paid concerts and not a full program.
- Of the English festivals 4 offered paid content and some a full festival program.
- Of the American festivals 4 offered paid content.
- Of the French festivals 0 offered paid content.
- Most of them partnered with streaming platforms instead.



Although this is not a complete list of festivals in the respective countries, this accurately represents the overall pattern of the current market. Almost all of the festivals had only become digital because of COVID-19, not by a strategic choice.
A very similar pattern repeats itself with the orchestras, except that during 2020 a lot of the orchestras have reacted to COVID-19 by putting out digital content. While many of them does so without any long-term digital strategy, it is difficult to predict what this will lead to once COVID-19 stops influencing the market. There is a growing interest in becoming more digital.

Other providers of classical music online

There are some competion to be mindful of, but like with the festivals, there is a tendency to not be strategic about digital content and brand.

- Classical music streaming platforms
- Youtube
- Itunes / Spotify

Part two

Industry research: International benchmark

Pricing & packaging

Finding 2: Prices and packages

Looking closer at the case study interviews and the festivals in general and how they priced and packaged their content, there are generally four ways they handled it.

Subscriptions	Pay per concert	Tiered passes/ packaging	Free

Free content

The most common solution amongst the organizations not chosen for the case study is to put all content up for free or not put up at all, often on YouTube or Facebook. The donate-what-you-want, or don't donate at all organizations also fall under this category, as there is no demand for payment.

Many of these encourage donations. If you look at the festivals it was approximately 84 % who chose this model. We see a similar pattern when we look at the orchestras who offer digital content, but there are more orchestras than festivals that charge for their performances. The amount of free content is something to be aware of.

The free content can be of great quality but is often lost and gets few viewers.

Subscription

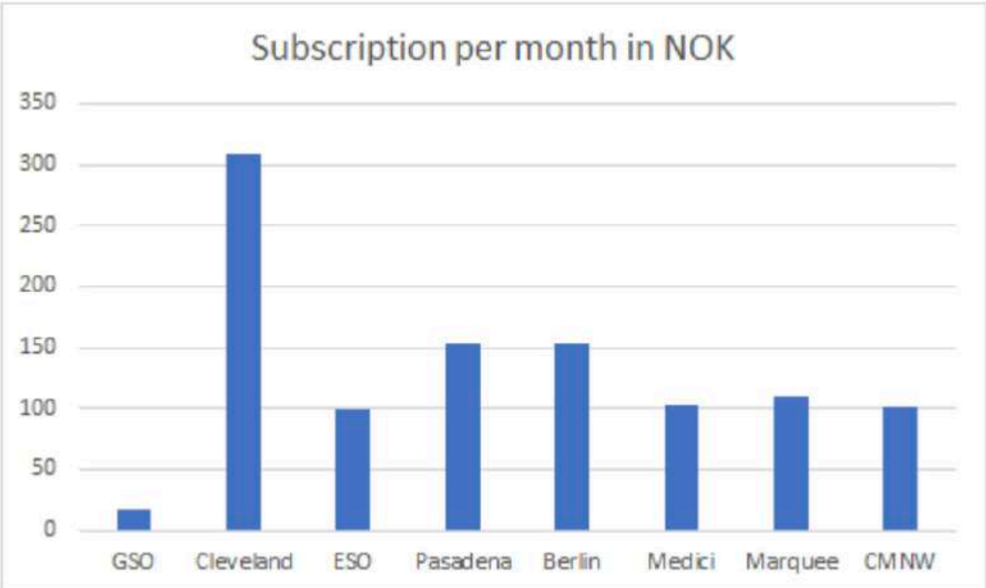
- Subscription based solution is more **often seen with the orchestras than the festivals**. Chamber Music Northwest is one of the exeptions to this rule, but they are a fusion of a chamber ensemble and a music festival, so this is probably part of the reason.

- Among the organizations with subscription-based pay walls were Göteborg Symfoniker, Cleveland Orchestra, English symphony orchestra, Pasadena, Chamber Music North.
- The subscription-based solution is **often seen in streaming services such** as medici.tv & Marquee.tv, but also with the larger orchestras who are aiming to strategically use the digital content to reach a larger and more international audience like the Berliner Philharmonics.

Subscription

Taking the average of monthly subscription fees in the example list below we are looking at a current market value of:

131 NOK For a monthly subscription



Subscriptions from cases

Organization	Price per month/year	Price in Norwegian Kroner
Göteborg Symfoniker	99 SEK(6 months)→16,5 per month:	16,8 NOK per month
Cleveland Orchestra	35,99 $ per month 430 $ a year	16,8 NOK per month
English Symphony Orchestra	8,5 £ average a month	99,78 NOK a month

Subscriptions from other examples

Organization	Price per month/year	Price in Norwegian Kroner
Berliner Philharmoniker	14,90 Euro per month 149 Euro a year	154,34 NOK per month 1543,37 NOK a year
Medici.tv	9,9 Euro pr. Month 99 Euro a year	102,5 NOK month 1025,5 NOK a year
Marquee.tv	12,79 dollar per month 127,89 dollar a year	109,97 NOK per month 1099,60 NOK a year
Chamber music Northwest	16,5 dollar pr month (99 $ pr 6 month)	101,91 NOK pr month
Pasadena Symphony & Pops:	25 $ a month (Minimum of 100 $ for 4 months)	154,33 NOK a month

Differences and similarities in subscriptions

- All the subscriptions listed above include access to archived concerts and new livestreams, even though there can be a bit of a difference in the kind of formats each organization offers.
- While some run with yearly subscriptions Pasadena and Chamber Music Northwest refer to their subscriptions as season passes, giving access for example to ‘the spring concerts’.
- It’s also worth noting that English Symphony Orchestra has a donation subscription system where people choose what they want to pay per month with 5 £ as a minimum.
- Some offer both a subscription and paying for single concerts like Chamber Music Northwest.

Pay per concert

Some orchestras or concert halls choose to only charge per concert like the Royal Opera House and Det Norske Teater. Often, but not always, the organizations that pick this system are new at offering paid digital content. They want to charge for their content but haven’t got a massive archive and a platform that supports a larger streaming service yet. As you will see, this way of paying for one concert also features in the ‘tiered passes’ payment solution, but this will be dealt with under that solution separately.

The price tag on single concerts ranges from around 30 to 450 NOK with the average of the examples listed on the next page being:

175 NOK for a single digital concert

Single concert prices from cases

Organization	Price per month/year	Price in Norwegian Kroner
Det Norske teater	450 NOK (Household ticket, bigger performances) 250 NOK (Single person ticket bigger performances) 175 NOK (small stage performances)	450 NOK 250 NOK 175 NOK
Royal Opera House	3 £ per concert	35,31 NOK
Pasadena Playhouse	24,99 $ per show (only rent for 48 hours)	213,50 NOK

Single concert prices from other examples

Organization	Price per month/year	Price in Norwegian Kroner
English Music Festival	12£ per concert 20£ for two concerts	141 NOK per concert 235 NOK for 2 concerts
Detroit DSOplay	12 $ per concert	103,48 NOK per concert
Chamber Music Northwest	20 $ per single concert	172,47 NOK per concert
Met Opera	4$ On demand performance	34,49 NOK per concert

What is a concert worth online? Is it really ‘only’ worth a 1/5 of the concert hall experience?

Tiered payment / multiple package options

The last solution is primarily used by the festivals, giving the audience the option to choose what sort of package suits them best. Some of the orchestras use multi options as well. Some have a subscription AND the option to pay per concert at the same time, as well as the option to buy 3 concerts in a bundle deal.

In the case material this model applied to Oxford Lieder festival and Wimbledon International festival.

Wimbledon

Package content	Package price	Price in NOK
Individual performances → 1 concert of the buyer's choice	10 £	118 NOK
Festival pass → access to all concerts From Saturday the 14th November And For 2 weeks after the festival	80 £	944 NOK
Director's pass → access to all events including an EXCLUSIVE performance and for four weeks after the end of the Festival.	160£	1882,74 NOK

Oxford

Package content	Package price	Price in NOK
Individual performances → 1 concert of the buyer's choice	3-13 £	35 - 152 NOK
Bulk discount for buying more than 1 performance	?	?
Pass to all concerts on a specific day	?	?
Festival pass → All performances access and able to watch those recordings up to two weeks after the festival ended.	90£	1053 NOK
Pioneer pass → same as the festival pass but with one more week of on demand acces.	110£	1287 NOK

Part two

Industry research: International benchmark

Willingness to pay

Finding 03: Willingness to pay

There is a willingness to pay for digital content as people are purchasing virtual concerts in spite of the fact, that there is free content out there, even on platforms with both paid and free content. The degree of this is harder to pin down. There were two strategies among the cases: 1) All content was behind a paywall (except 1–4-minute trailers) or 2) some content free, some paid. First, we will look at the pay-only solutions.

Let's look at Oxford Lieder Festival who was positively surprised by the numbers. Oxford held an all-virtual festival in October 2020 as a response to COVID-19. Their numbers are very interesting in a festival perspective, as they sold more than they would in an regular year:

> "The far majority of our sales were passes. We normally sell 13.000 tickets, but of that we sell about 70 passes, because they are expensive 700 - 800 pounds. An all-access pass was 90 £ for the week and we sold 460 of them. Huge change in pattern. We sold more tickets for this virtual festival than we usually do, before we went digital. Usually people buy two tickets, that would cost 80 £ in total and with the digital they will only have to get one per household to 13 £ for a concert, but this year we sold so many per day, we took more on the box office this year than a normal year. We beat our box office target by 20 - something percent. Some of that was because of more international reach." Oxford

> "Because people usually come to a couple of concerts and they pay 50 £ and maybe come to a lunch time for 17 £, so they will spend 70 £, so this year they though well 90 £ are quite reasonable for a pass. These numbers might change when covid ends and it's possible to go back to the venues, but people are asking for a blended option of live and digital." Oxford

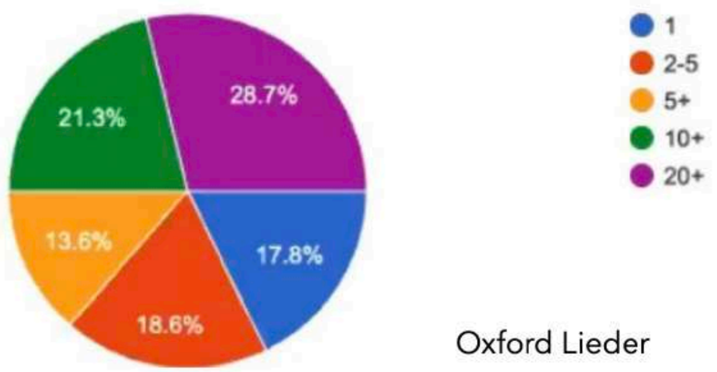
Oxford asked their audiences (450 + responders) what they purchased at the digital festival. It should be taken into consideration with these numbers that the festival only was virtual, and that it could look very different if the audience isn't 'forced' to watch online:

- 21, 8 % purchased the most expensive pass (pioneer)
- 39, 8 % purchased a standard festival pass
- 27,5 % purchased 1 or 2 tickets
- 21,8 % purchased more than 10 tickets
- The remainder purchased between 3 and 9 tickets.

They also looked into the he number of events that people watched, which speaks to the interest in the paid concerts. Notice that only 17,8 % merely watched one concert:

2. How many events did you watch?

456 responses



Wimbledon festival struggled more with their sales. They held a 10-event festival in November, primarily chamber music.

> “We sold about 20-30 individual tickets pr. Concerts. 140 tickets sold at top price and maybe 50 tickets sold of the 80 £ tier. We were able to bring the show in at the normal price, but it included the 2000 additional cost. **But we made only 1/5 of our normal ticket sales.**” Wimbledon

The difference in the success of the two festivals can perhaps in part be explained with the mindset of their respective directors. Oxford was much more strategic, and prepped their audience with test events, had a larger program and more focus on their branding, international marketing and what made them unique. Also, they **had a few little online events before the actual festival**. The prices were similar except that the passes got you access to more in Oxford.

Det Norske Teater

The case from Norway saw similar succes when converted their performance into a digital ticketed product and livestreamed the events.

> “During the autumn we had 7 performances and about 10.000 tickets sold in total. The first weekend of the show was like 2000 watching. When you think about limitations in the audience, we were allowed to have 200 for each show in the venue. So, we have to compare it with people watching online - and since it was 2000 it was ten times more as it was possible.” Det Norske Teater

> “The audience found the prices as right, and the covid-19 survey said that 250 kroner are okay for livestream content.

> However, when it is content already made people won't pay as much when it is not livestreamed - and I think the limit there is about 100 kroners." Det Norske Teater

About 1/3 of the purchases were on the higher household ticket (450 NOK) which was optional and the rest of the tickets were group or single person tickets (250 NOK)

When you have both free and paid content

Something that speaks to the willingness to pay is also the platforms that offer both paid and free content. There is a difference in how much each of the case organizations give away for free and how this affects their sales numbers.

Cleveland and Göteborg (at least before COVID-19) are examples of platforms that have some free and some paid content. Cleveland stated that some or their most popular content was the free concerts, like their Christmas concert that was the third most viewed, but this model still manages to attract som paying subscribers:

Organization	Premium users	Fremium users
English Symphony Orchestra	35 paying sponsors.	Platform: 320 active user "Our YouTube views average about 8000 views in the four-day period they are up."
Cleveland	We have about 3.000 paid subscribers right now.	We had about 120.000 people visiting the site and actually playing content on the site free or paid
Göteborg	12.000 premium users before COVID-19	april - august: 535.000 visitied GSOPlay - 2020 - in the same period: 1.500.000 visitors
Pasadena	3.000 house holds	6.000 in total users now on the site.

English Symphony Orchestra is obligated to make their content free for 4 days before putting it behind a paywall which greatly impacts their ability to make their paid subscription attractive.

> "Because we are funded by the arts council, we have to release all of our content for free for 4 days, so that anyone in the public domain can see them in that time, and then afterwards it goes behind our pay wall.[...] Our YouTube views average about 8000 views in the four-day period they are up, but we struggle with converting them over to our own platform. [...]It's a slow building income stream. It's not going to clear debts" ESO

It can affect the willingness in a very negative way too, preventing you from getting paying users like in Cleveland. Looking at Cleveland only 2,5 % viewers chooses to pay when there they had free concerts available,

> "We have about **3.000 paid subscribers right now. We had about 120.000 people visiting the site and actually playing content** on the site free or paid. Well, the most popular stuff is the stuff that's free. And people, you know, I think we had 28.000 people watch it." Cleveland

The GSO talks about how their model meant that it took a long time to reach their subscriber numbers:

> "It took quite a number of years to reach 12.000 of premium subscribers, and now I think we are down to zero again." (After opening up and making it free.) GSO

In conclusion one should consider the amount of free content you offer your audiences as a means to affecting the willingness to pay. It may work as a tool to get the ones that are willing to pay, as a marketing device:

> “Every day we would upload clips from our concerts, as a marketing technique and that was very useful.” Oxford

Large streaming organizations like Berlin Philharmoniker or Medici.tv do offer 1 or 2 free concerts and most subscription-based providers have a 7- day free trial to give people a taste of what their money might buy

If you give something for free, make sure you get something else out of it:

> “We did start out with not requiring people to sign in to see the free content and of course the viewers were higher. **But then I started realizing that I don’t care, because if people are viewing things for free and we are not getting their email address it doesn’t matter to me.** It does no good for me whatsoever. Even if the viewership goes down I want people to write an email address, so we set that up and we still have seen a lot of growth. It has still doubled. “ Pasadena

Part two

Industry research: International benchmark

Live or on demand

Finding 04: Live or on demand - what does the audience prefer?

Many organizations doesn’t actually live stream, but record it, so they have a better chance to edit it. They still realease it to people as a ‘live stream’. Oxford offered a combination of live streams and these ‘recorded live streams’.

> ”A live event is difficult to set up in a museum or a library and it was less expensive recording it first and editing it together.” Oxford

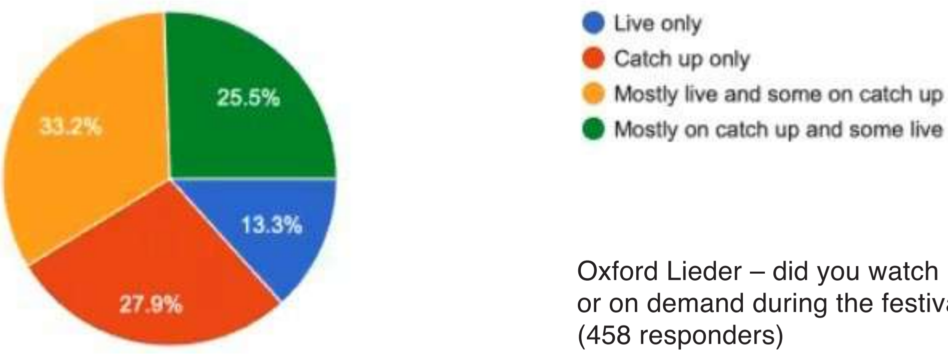
GSO noted that some of their most popular content was the more curated shows, that wasn’t ‘just’ a live recording (like their ‘National Dag Concert’ with a record 700.000 views). That kind of content was expensive and difficult to produce live.

GSO, Det Norske Teater & Oxford streamed live. Keep in mind that GSOPlay was free during covid and it is uncertain if these numbers represent people who would pay for live streams.

Göteborg Symfoniker	**Det Norske Teater**
2000 - 5000 viewers per live stream On demand is generally from 10.000 views to around 300.000 views. The one with the most tracktion with 708.000 viewers	Up to 2000 viewers per performance 7 performances and about 10.000 watching in total.

Of the case studies, many chose not to send live, but to record and then stream the recording as a live concert, because it was easier and cheaper for them and offered more opotunity for editing.

GSO & Oxford streamed live. Keep in mind that GSO has been free during COVID-19 and it is uncertain if these numbers represent people who would pay for live streams.



Oxford Lieder – did you watch live or on demand during the festival? (458 responders)

> "Even though people didn't necessarily watch it live, they think it is important that it is a live event, and the idea that they could get it live. It is a special quality that it is live." Oxford

At the Oxford Lieder festival 39,4 % reported that it was VERY important that the event was live. 31,5% said it was important, while the rest weren't sure if it was important or didn't consider it important.

Finding 05: Limited time on demand is an incentive – but not too limited

While being ‘an event’ is clearly important’, at both festivals people were willing to buy packages that were more expensive to get more on demand time for a limited event.

> “One of the feedbacks that we got was that people wanted more time to watch the festival on demand the following weeks.” Oxford (More than 3 weeks)

> “By advice from Wigmore hall, he said if you leave it up for too long then people don’t feel like they need to see it. One of the major agents said. ‘Give people a 5-day window and then they will think they need to see it’.” Wimbledon

Finding 06: There is demand for digital/live hybrid solution

Many of the audiences expressed a positive attitude towards a hybrid solution where you can both visit the concert hall and get access to a digital version. Some of the case organizations plan on making hybrid memberships, where you purchase tickets to live venue events and then also get a digital package included int that:

> “We had a lot of really positive reactions from our subscribers. They were really thrilled to learn that they could watch all the concerts in the season even the ones they didn’t have ticket to if they went online and then be inperson for the ones that they obviously had bought tickets to. That seemed to be a real plus.” Cleveland

Oxford festival was a good example of the positive reactions to the digital solution and the audiences enjoyed the convenience

of it, requesting a hybrid solution next year:
Core audience feedback:

> "The ones that usually buy an all-events pass, they actually come to everything. They also saw every concert online in this virtual version, but they enjoyed the convenience of it. Being able to take somethings live and somethings on demand, not having to race between venues as they usually do in the festival." Oxford

Core audience feedback:

> "We had a lot of people saying, I usually come to 3, 4, 5 events at the festival but I work. I can't come to more than that or I can't afford it, or I live too far away to go to every event all 16 days. Those people said they loved it and especially the on demand after the festival. They were having dinner watching a new concert each night."

> "The overwhelming response from the audience was: In the future, please have both so we can maybe go to the venue to watch the event and if we really like it, we can go home and buy the digital version and watch it again. And the things we can't go to in person, we can attend virtually." Oxford

Pasadena on the other hand offered their online subscription to their usual members during COVID-19, but:

> "One thing we found that were really interesting to us is a lot of people did subscribe. A lot of people said yes, but they are not viewing. They are like: "We want to support you, because we want to see you on the other side - but we are not interested in the digital program". That was a big surprise to us. We thought more people would be viewing stuff online, because we know that even if they are older,

> they are still using Netflix or something like that." Pasadena

Pasadena is a theatre and is still very new at offering content, which means they don't have a lot to choose from. They don't offer events / live streams which can perhaps account for some of the reaction from their audiences.

When offering a hybrid of digital and live – create exclusive content

Even though Oxford Lieder was all virtual in 2020, they are planning to do both digital and concert hall events next year. In contemplating how they would approach the balance of the digital and the concert hall they aired the idea of an exclusive content strategy:

> "We might do a blend next year where some concerts are exclusively online, and some are only live and some are both."

This strategy would work as a way of nudging users to use both online and in-person offers.

Part two

Industry research: International benchmark

Target groups who watches?

Finding 07: A general lack of target audience strategies / data

The classical music organizations generally do not define their target audiences in great detail or data track their demographics. While some have a clear idea of who is buying and watching, many do not. For most of them, the digital is just about appeasing their established core audience.

As you will see in the list of mentioned target groups, the orchestras primarily defined them by age or their already established passion for classical music and stage art. This also means that they do not work much with looking at data and seeing if the digital content can attract a different kind of audience or a younger audience. They primarily target their established core audience, not new ones.

Finding 08: Core audiences going digital

By far the most common answer, when asking the case subjects how they approach targeting audiences, they set out to make something for the audiences who couldn't attend the physical concerts because of COVID-19. Coming at the digital as a COVID-19 response strategy, meant that the digital serves as a substitute for the core audience, rather than a strategic targeting of new groups.

> "Eso Digital was a response to covid back in july 2020. To give a platform to release music." ESO

> "I think the average age is late 50's or 60's. Pretty typical audience may be a little more heavy towards females, higher education, higher income levels. Pretty standard." Cleveland

> “Already comes is in the physical concert hall, generally older people, and they watch classical music on a regular basis.” GSO

> “It is first and foremost our existing audience, our subscribers and donors.” Pasadena

Their users are to a great extent the same demographic that show up in the concert hall. Oxford lieder for example managed to get a very large number of their core audience with them as they held and all-virtual festival:

> “We lost about 25 % of our regular bookers, but that still quite good. 75 % of our regulars went digital. We made up that 25 % plus another 17,5 % in new people. So, we increased our audience with 17,5% and the average spend went up.” Oxford

Core audiences don’t always go digital

Wimbledon, on the other hand, was disappointed with how few of their regulars accepted the digital version:

> “I was disappointed in how few of our normal audiences took up this digital version of the festival, but I can understand it because most are over 65. A lot of people are not so keen on putting in passwords, and navigating the system. That is a big problem with our audience.” Wimbledon

Finding 09: You have to help your audience go digital

Many of the case interviews touched on the subject of having an older core audience that might not be very comfortable online. While Oxford showed that the majority of a core audience can move online, there is a point to made for helping them in the transition. GSO stated that it took a long time for them to build the subscriber base, but looking at Oxford there are things that can be done to make it easier.

> “We make **little digital events over the year**, to get people used to it, making a mini weekend festival to get people accustomed.” Oxford
>
> ”Simplicity is key!”
>
> “We still **did a printed brochure** and everyone on our postal list received one. We burst in sales when that arrived. It helped with our regulars to see that brochure, that things was as usual, just online.”
>
> “Some of our audience were nervous with how their tickets would work and the whole platform, so we had a **test event** for them.”
>
> “We had a clear FAQ. instructional videos and sheets they can read **for guidance**.”

There is also a need to consider the programming. Is your programming attractive to a digital audience?

Finding 10: National or international audience?

The digital focus on core audiences also means that many of the case studies direct their attention to a national audience rather than an international audience. There is admittedly a difference in the potential market when you are targeting nationally if you are in the USA compared to Sweden:

> “At the regional theater we only were focusing on L.A., the great of the Los Angeles area - but through this we brought advertising agency AKA. They have a good reach and a good understanding of a national scope. We truly looked at our target audience art pay entries national - that helped us target the communities with the greatest participation in the arts in the country. It was like New York, L.A., Chicago, Boston and also Cleveland and Ohio, that we would neve have thought of.” Pasadena

But some of the case organizations were surprised to discover that the digital appealed to an international audience much more than a national one.

> “We were trying to reach our core regional audience but ended up firstly hitting an entirely different group which was a Swedish people living abroad and people interested in classical music throughout the world. Some of our hardcore fans are from Brazil and Canada. It was not until COVID-19 that we saw a considerable rise in locals using our platform.” GSO

But as GSO noted, delivering content to an international audience is different than to people in your area.

> “It’s two different things having content that works with

> international audiences and national audiences. Content with Swedish hosts has more of an interest with the national audience and not so much with an international audience. So, translations are like priority number 3 for us. When we do have the time to work translation into the production it enhances the quality of the content. “ GSO

One of the things GSO also noted of importance and one of the things that drew the international audience was:

> “You need to be very unique, put something out there that will actually be interesting to an audience. You need a voice and a special sort of content.”

A part of GSO’S voice is this distinctly **Swedish mark on their content**. They say ‘God Kvell’ even though they continue in English and have clips of the hosts outside in the Swedish nature. This works as an appeal to the regional audiences, because it feels grounded in their home region, but also to the international audience as an exotic sense of place and voice unique to Sweden.

Oxford Lieder festival went more directly for an international audience, running Facebook campaigns in US and Japan:

> “We had new people who had never come to the festival sign up, they came primarily from abroad. We sold in 25 countries, **most in the US. Some in Japan**.” Oxford

Finding 11: New old audiences - Too old to attend in person?

Both Cleveland and Oxford Lieder mentioned that they had seen an increase of digital users that were too old to go to the concert halls, but that these audiences often needed a younger family member to help sort of the technical side of logging in and setting up the concert to watch online.

> “We found that - we are all struggling with subscribers getting older. There are people every year telling us they don’t get out as much anymore. So we had some subscribers that actually came back and enjoyed this. It is not a huge number but it has been a noticeable number.” Cleveland

> “We have people saying ‘I am at home caring for my elderly mother, but she could never come to the concert because she is too frail - but now we could watch the festival together on the screen. One couple who live some 100 miles away, they have always been regulars, coming to everything. But they wrote us last January saying, sorry we are just too old, we can’t come anymore. Please take us off the mailing list.’ And we said ‘sure, but let us at least keep you updated with what we are doing.’ They said, ‘fine.’ And then of course we went digital. They bought a pass, saw everything and renewed their support.

> “We lose people every year, I mean some of them die, but this is an audience that is now really engaged with the idea to connect online, with some help. We tend to chase the younger generation but going digital has lots of opportunities for elders as well.” Oxford

Finding 12: Target audiences by their need

GSO had particular success with targeting new audiences by targeting very specific needs:

> "We segment other audiences, building on the idea that there are people out there that use classical music from a completely different point of view than our core audience, but we think that they might be interested in becoming a core audience, and so we did an analysis of who they might be, where might they be and how would they find us, who are their friends. And we build a pattern out of it and took one of these tiny groups and asked, what kind of concert would these people watch. From that we made concepts like our yoga audiences, targeting specifically people who likes to do yoga and likes to have music while they do it. And it was a huge success. We segment curious groups by looking at their need. They might not be interested in the subject - classical music. We solve their interest in getting to know classical music without leaving their comfort zone. And the yoga segment is very comfortable in their yoga mat. Through that they might also be able to see the benefits of looking for that music and go into a concert hall and challenge themselves, veining them into the classical music. The yoga segment has no idea what a classical concert looks like, so anything goes." GSO

Part two

Industry research: International benchmark

Platform content, voice & user journey

Finding 13: Digital formats and content

There wasn't a lot of innovation when looking at digital formats. These were the digital formats we found in the industry research:

- The concert / performance
- Interviews either live or recorded and edited in postproduction
- Q&A at the end of the performance, where people could send questions either via chat or email.
- A chat function that people could use while watching a live stream
- Study session - a sort of educational entertainment like showing related art from the period of the composer and talking about common themes.
- Content targeting very specific needs in very specific groups l ike yoga concerts for yoga practitioners
- Podcasts
- Documentaries
- Masterclass – for students of music, learn from the legends.
- Story telling for children
- Study music
- Discussions among the artist
- Hosts / presenters either live or recorded and edited in postproduction

Audience feedback on content

While most of the case subjects couldn't tell much about their audience's preferen there were a few insights that have been listed below as quotes.

The curated content, concerts that were prerecorded and the edited with shifts in scene, host and added content other than 'just' the concert saw increased popularity at GSOPlay:

> "We do see bigger number of views on curated concerts like the National Dag Concert.[…] The curated content, that kind of programming reaches a wider audience. We can also make it available for a longer period, which is beneficial."
> GSO

> "Our classical curiosa is just a lecture, one man, sitting at a piano, playing, talking and showing some pictures. The first day we had 15.000 viewers, finding it and seeing it all the way through."

GSO remarks that shorter formats generally works better for digital.

> "We take the livestreams and make them into video on demand afterwards, but if the orchestra and the soloist is okay with it divide them into 20-minute separate videos, so we get a double output."

Livestream seem to have a more international than regional appeal:

> "The livestreams are far more important to an international audience than the video on demand."
> GSO

GSO talks about the importance of realizing that people have different expectations to the digital than the concert hall and sometimes require more than just recording a concert:

> "We produce some things specifically for digital consumption." GSO

There are a group of audiences that uses the live stream as a very social event online:

> “The livestreams are extremely important for the orchestra; they are also very important for a few thousand people. They use that as a community - regulars - and social interaction” GSO

Smaller ensembles have a broader appeal:

> “People are interested in these smaller constellations. But at the marketing department we have to be more conscious about how we make them visible and where and to what audience, because they have potentially a large audience, but not necessarily within the core audience and not necessarily among the people we know and who know us. It has potential but runs the risk of disappearing.” GSO

Producing content for a digital audience can require more of the production:

> “When it comes to theater live-stream performances you have to have a TV-director as well as the theater director. For instance, for the *Bienes historie* the TV-crew was following the rehearsals for a couple of weeks to actually get to know the performance. Because the live-stream is live-edited/filmed - so they have their own script-book in a way in order to know what to film when on stage. This is quite a difficult job.” Det Norske Teater

Having other formats with elements of different kinds of art that speaks into the same theme as the music have a lot of entertainment value:

> “The study concerts: We could show some spaces that people aren’t allowed in like at the museums, and show them objects they would never see, and people really liked it.” Oxford

Having a festival pass that gives access to everything might make people much more curious about content they wouldn't normally use:

"I got feedback that people were a little more adventurous than usual. They liked the idea that they could try something out. If they didn't like it, they could just turn it off. Like we had three world premieres that got more attention than usual. Contemporary music got more attention" Oxford

Digital formats and content

- A more advanced production with more than one camera allows a different kind of dynamic and intimate feel than you would get if you sat in the audience seats.
- Briefer formats – 20 minuts to 1 hour More curated content concerts
- Most of the case studies used their own website as platform

Finding 14: Digital support

> ”The audience would call when the concert started desperate to log but unable to make it work." Wimbledon

- Instruction videos helped guide the digital audience
- Sometimes it was difficult for them to even find the login or how to buy digitally / access the content you bought.
- Guides to the best experience – set up with your tv.

Part three

Recommendations

Recommendations

These NPU and Rasmussennordic's recommendations that FIB needs to consider based on the research data.

Pricing the digital festival

We recommend creating multiple price packages, allowing the audience to customize their own price and experience and to encourage more sales. With different tiers of prices to choose from you encourage audiences to choose higher priced packages. We recommend the following packages:

Package	Price
Single performance ticket of the customers own choice	100-250 NOK
Bulk discount on 2 or 3 concerts, say 15-20% off.	
1 day pass. Gives access to specific day or theme of performances	400 NOK
Festival pass. Gives access to all digital events	1000 NOK

All content has a limited on-demand viewing time, for example 2 weeks after the end of the festival. One of the things that our industry research showed was that additional on-demand viewing time would make audiences buy more expensive packages. Thererfore we propose FIB adds this top tier package:

Package	Price
Exclusive festival pass - same as a festival pass but with 3 weeks of on demand time. Potentially 1 exclusive concert that can only be accessed with this pass.	1200 NOK

Digital ad-on tickets

To get the reguar visitors at Bergen to use the digital content we also recommend that people who buy tickets for the concert hall experience can purchase a digital ad-on with a discount. **For an added price of 80 NOK, for example, they can buy a concert onlin**e or even buy access to the recording of the concert they watch in the concert hall if they enjoyed it and want to see it again. Make sure to suggest this to people who buy a single ticket to a concert in Bergen. This is a great sales argument for people who cannot visit all the days of the festival, but who don't want to miss certain performances.

Differentiating prices on single performances

In NPU's study and the example with Det Norske Teatret, we could see that the average price for a theater ticket in Norway is potentially more expensive than in the rest of the world right now. As we are setting a standard in Norway for pricing digital content, there is a case to be made for setting the price right for the Norwegian market, but at the same time not discouraging international audiences. That is why we recommend you price your performances separately. A text/language-based theater performance in Norwegian can be priced higher, because it is of less interest to an international audience.

2. Exclusive online content

If you want to make the digital more attractive to the regular users, we recommend having something online that cannot be accessed in-person. This way the audience who wants the full festival experience will be nudged online. The exclusive content can be a concert. You can also add the reverse concept, one or more concerts that cannot be seen online, only in-person.

3. Develop formats focusing specifically on Bergen/Norway and brand

From the case interview in Oxford we can see that there is a definite sense of where you are in the world ingrained in the festival. GSO noted that the use of certain Swedish words and having footage from the Swedish nature was of interest to the regional audiences as a feeling of belonging and recognition while the international audiences experienced it almost like digital travels or tourism. Having a voice that is based around the setting of the festival can be a digital selling point.

Having a unique voice in general sells better than being very broad online. Oxford did attribute some of their success to being more niche and they cut away everything that wasn't directly related to the core product that their audiences came to them for.

4. Make a study of the audience behavior during the festival

The industry research shows there is a clear lack of data about user behavior and journeys digitally. These data could serve to strengthen your business model and targeting as well as your digital programming. As no such detailed data exists, we recommend that you use this festival to study your audiences online, mapping their behavior and improve your chance of digital success over the next years.

5. Market to international audiences

The interview subjects noticed that a significant part of their new users were international and as GSO showed us, the international audiences were interested even before COVID. The case studies in this analysis reported that US (especially Boston, New York, Cleveland, Chicago & L.A.), Canada, Brazil and Japan users consumed digital concerts abroad. Looking at the industry research of festivals, there is potentially a market in Germany as well, since so few festivals are active online there at the moment.

This means that you will have to consider the program and platform's appeal to an international audience. First priority here is language barriers. If you have an international English website, English speaking presenters at the performances and interviews, you are more likely to attract the international audiences.

6. Market to your regulars

We saw examples of up to 75 % of regular core audiences that were willing to go online, when no in-person festival was available. Especially core audiences who lived in more than 30 km away were very interested to buy digital tickets because it wasn't convenient to attend as much as they wanted to.

7. Help your audience become digital

You have to focus on **getting your regular audiences to see the benefit of using the digital** and making them comfortable so they feel like trying it out. Best practice was to have some small digital concerts before the actual festival. This helps to stay relevant digitally with the audience and the audience grow accustomed to the fact that a festival delivers digital content. There must also be a focus on the platform and making it very easy and simple to find what you want and to log in.

Having something printed or a program that also includes the digital strategically in the communication can help sales and assure the audience that the digital program will be straight forward and just like they know it from their usual visits. Have a **test event** that people can try logging into long before the festival, so that they can try the online system. Have very **clear instruction videos** on the basics like how to log in, how to set up your computer with your television, how to navigate the digital site and potentially videos of people getting ready and dressing up to watch it with red wine on the sofa or whilst dining.

8. Create socializing options online

While it is true that some do not like a live chat function during their concerts the social element of a festival and the sense of community is important. Some of the most hardcore fans are very fond of having the option to chat with others that share their passion for the orchestra. We recommend having a chat function but make sure it folds in and out when you click on it, so that you can choose if you want to see it or not. We also recommend a live moderator, sitting in on the chat during the performance, facilitating the social experience by asking questions or answering them.

Another social element that we recommend is a red-carpet studio, like **an online foyer before the concerts** with a host that can talk about highlights of the festival so far, do interviews, answer questions from the chat and set the mood for the concert. This is also a great opportunity to sell more to the people who only bought one ticket, by talking about the coming events or advertising the great show that they did last night with a video clip and mention that you can still watch on demand.

Remember that some wants the experience to be free from disturbances, so your platform has to be able to turn of chat functions.

9. Continue selling /marketing throughout the festival

With on demand content you can still sell tickets after the event airs. Use clips from the events to sell tickets and access to the on demand content.

10. Sell the rights of the festival performances to libraries, nursing homes or schools afterwards.

Your content can be used afterwards by institutions in Norway or elsewhere, by letting people purchase a license to watch it, that could pay for the rights from the artists and with a little extra to either pay for administration or to get extra income after the festival ends.

Appendix

Exports from the COVID-19 Monitor Dashboard

Figure 1: Under what conditions will you resume attending arts and cultural events?

This question also appears on Demand for Live Programmings: Conditions for Returns

Filter: Age (4 cohorts)

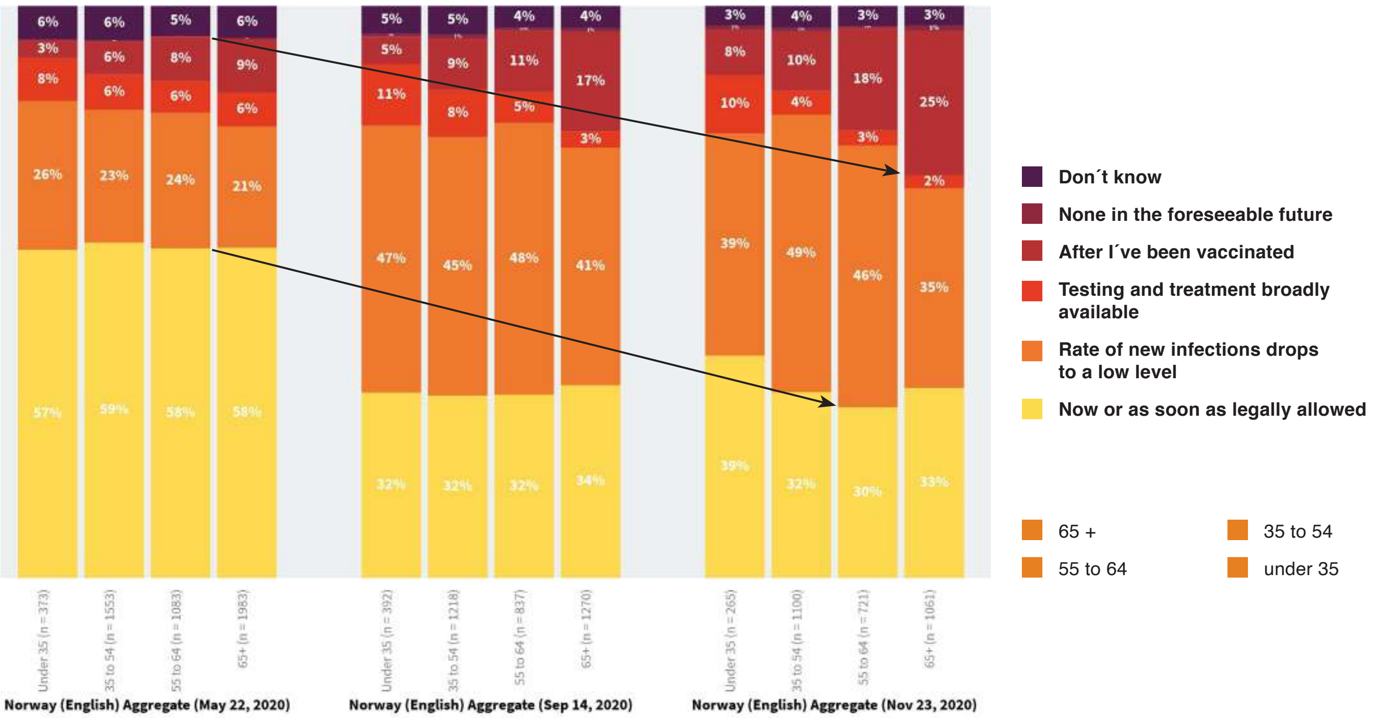


Figure 2: During the past two weeks, have you participated in any of the following online or digital arts & culture experiences? (select multiple)

Filter: Attendance Frequency   Note: columns on "select multiple" questions will not total 100%

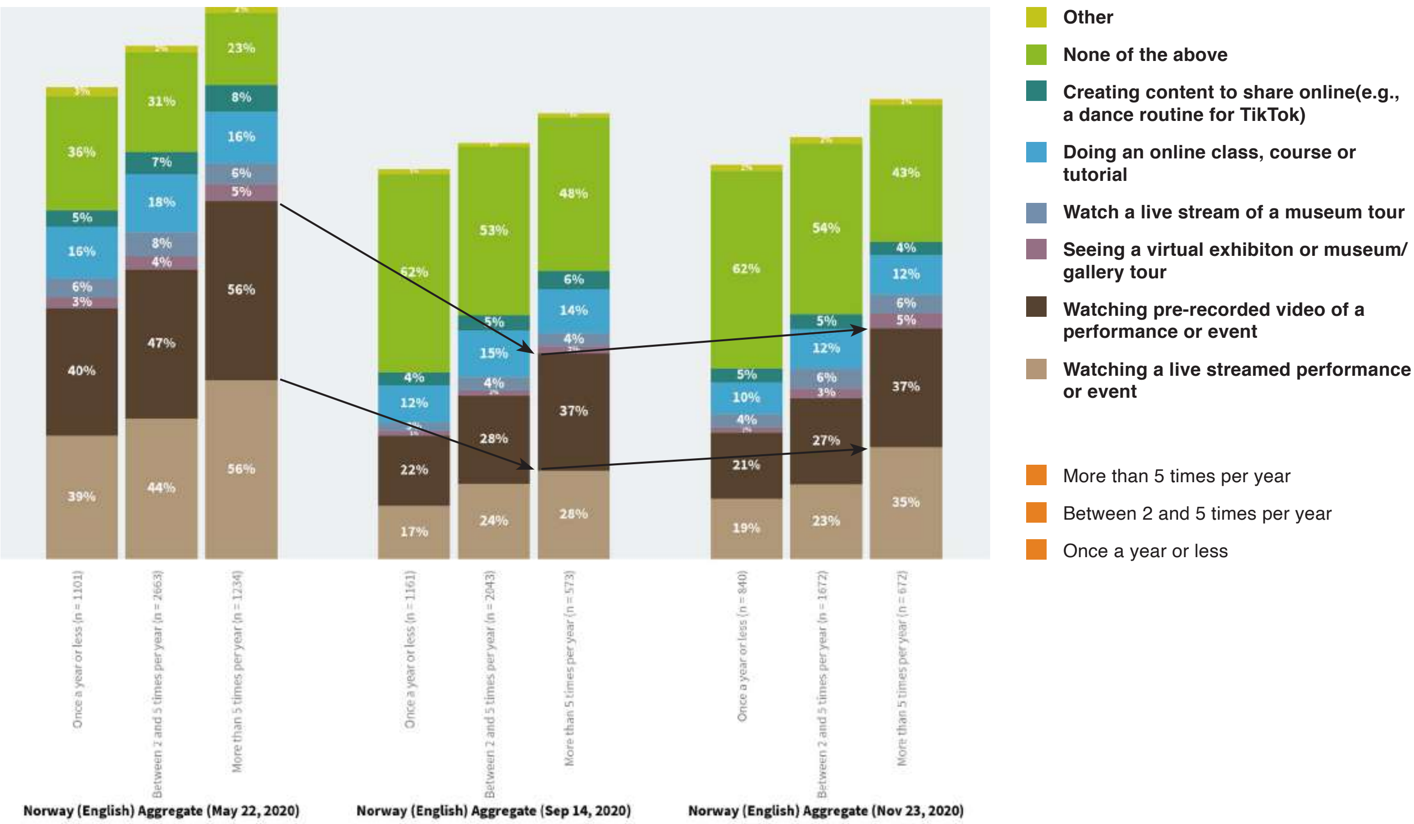


Figure 3: During the past two weeks, have you participated in any of the following online or digital arts & culture experiences? (select multiple)

Filter: Age Cohort Note: columns on "select multiple" questions will not total 100%

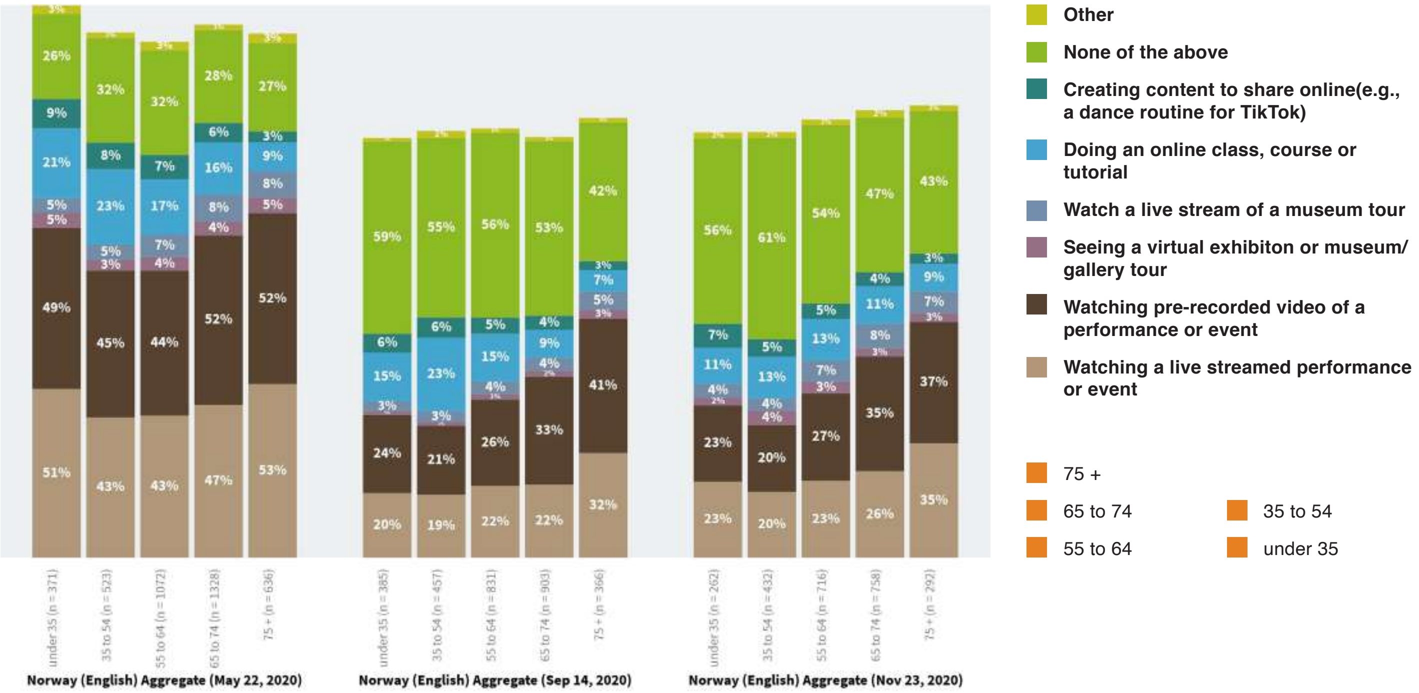


Figure 4: Do you consider digital performances and concerts as temporary stopgap solutions, or is it something you want to enjoy continuously even after the pandemic is over and the institutions can reopen fully? (Choose one)

Likely to purchase tickets knowing they would watch some or all the performance at home via live stream

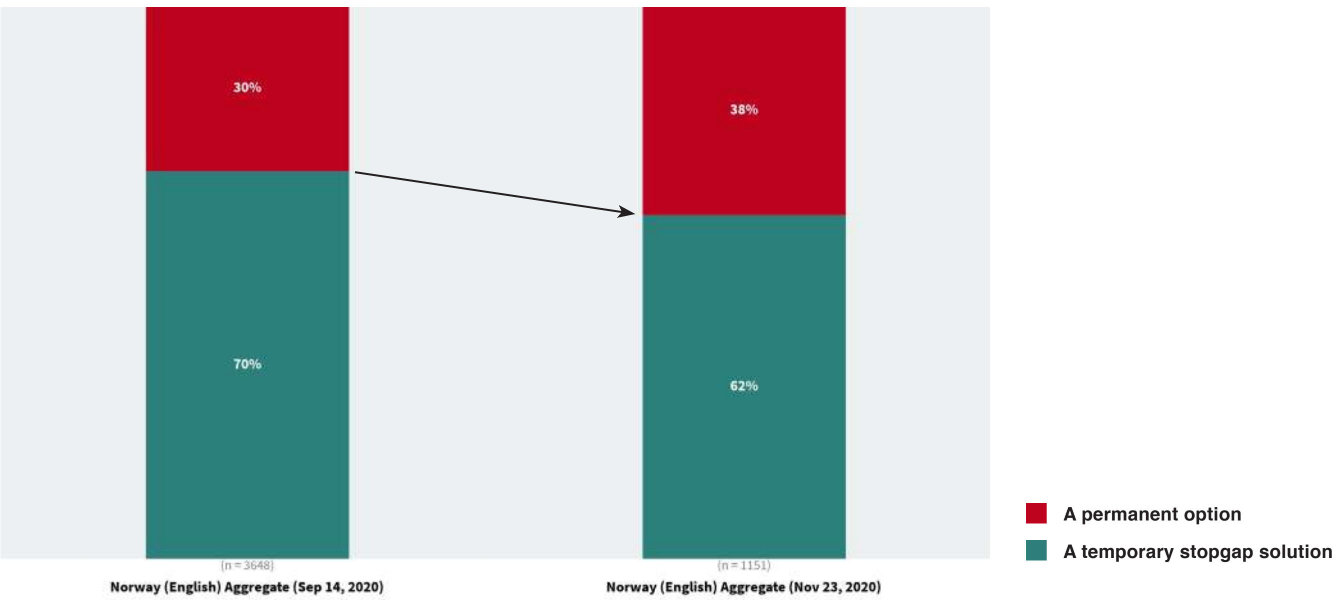


Figure 5: Expectations for digital content to become a permanent option is higher in segments with lower frequency of attendance in person

Likely to purchase tickets knowing they would watch some or all the performance at home via live stream

Filter: Attendance Frequently

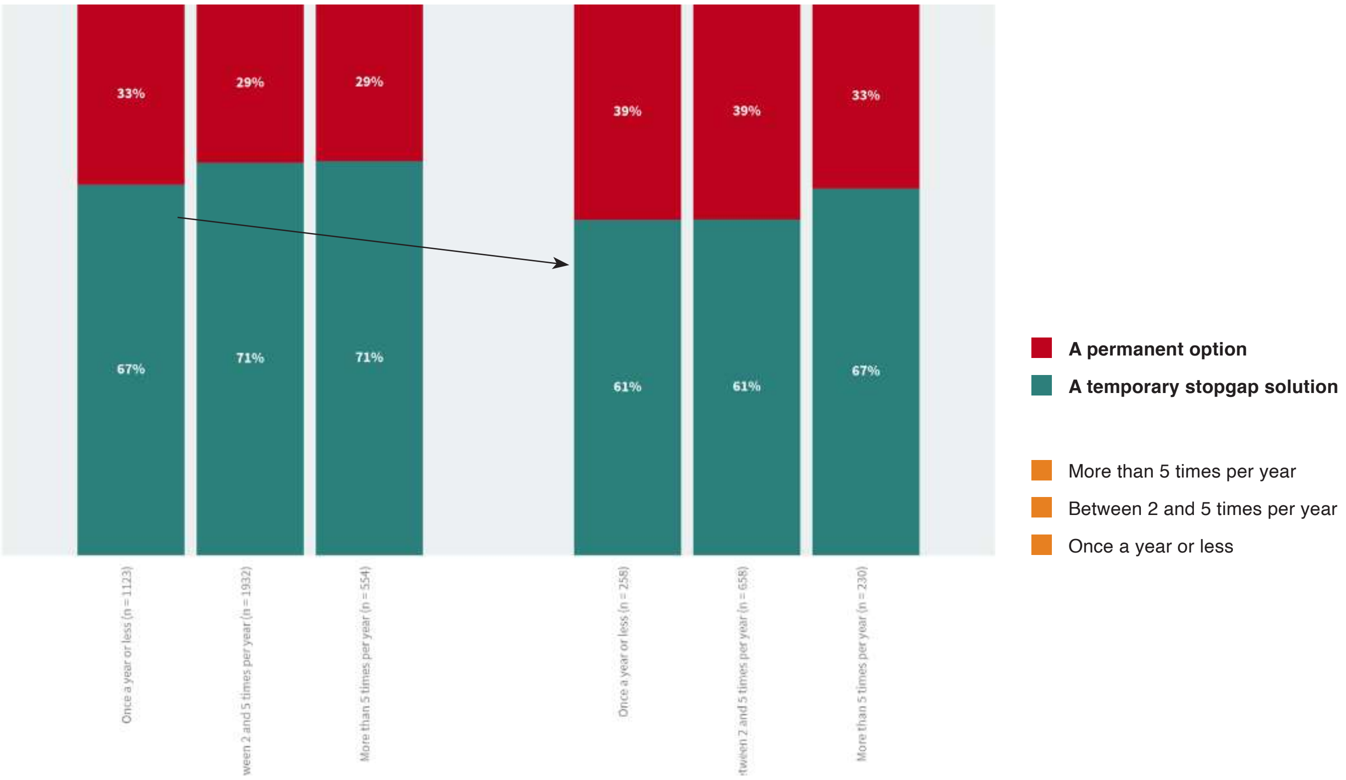


Figure 6: Rank the following ways to watch a live event in the order you'd prefer today

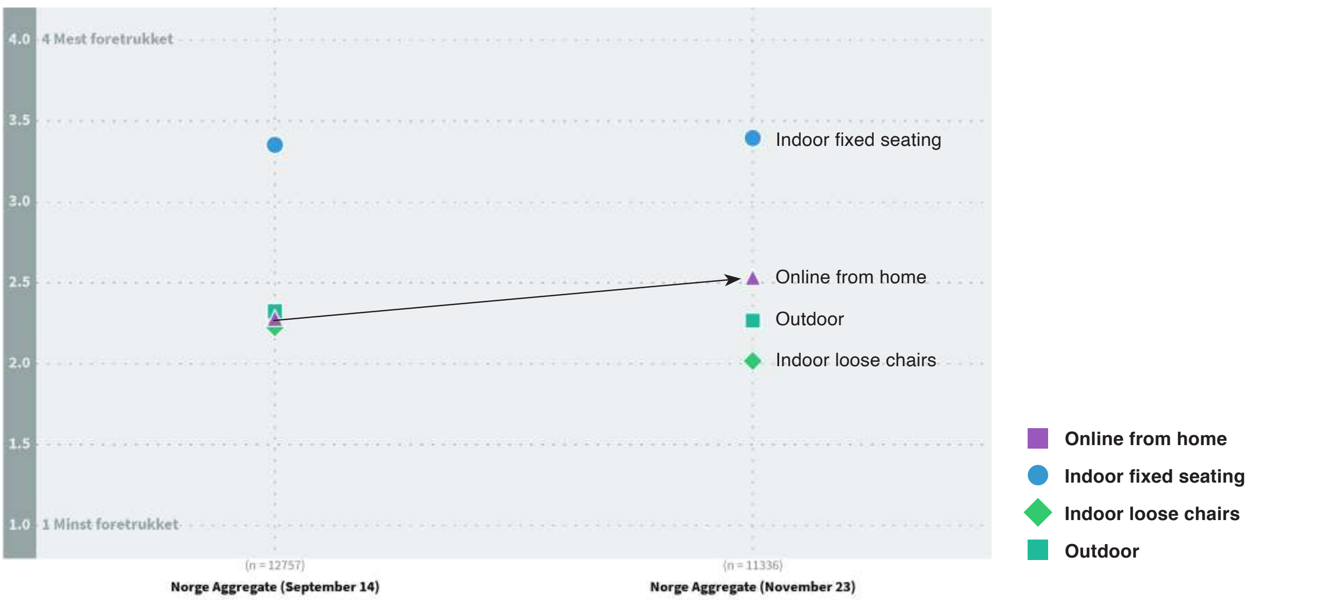


Figure 7: Rank the following ways to watch a live event in the order you'd prefer today

Filter : Age from under 35 to 75+

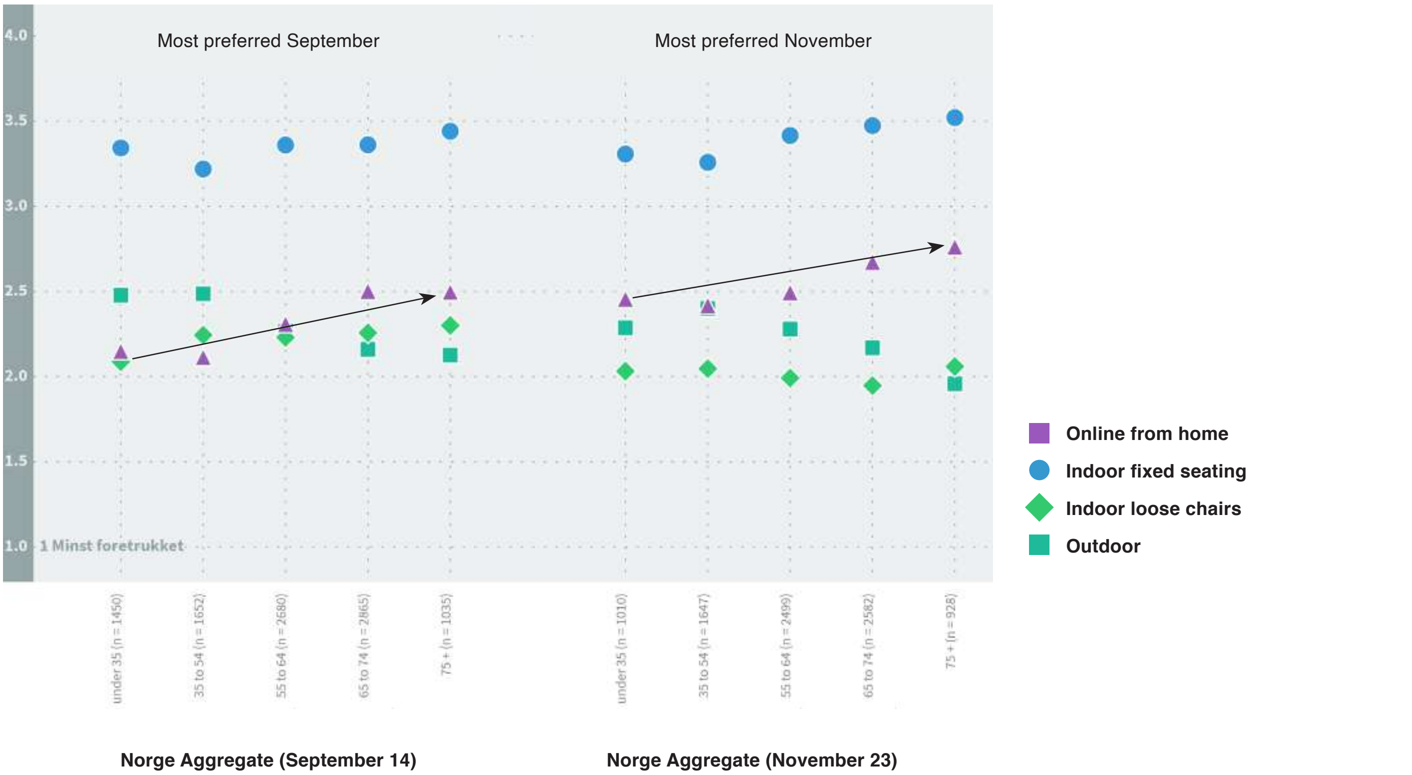


Figure 8: Paid for online content last two weeks

Note: columns on "select multiple" questions will not total 100%

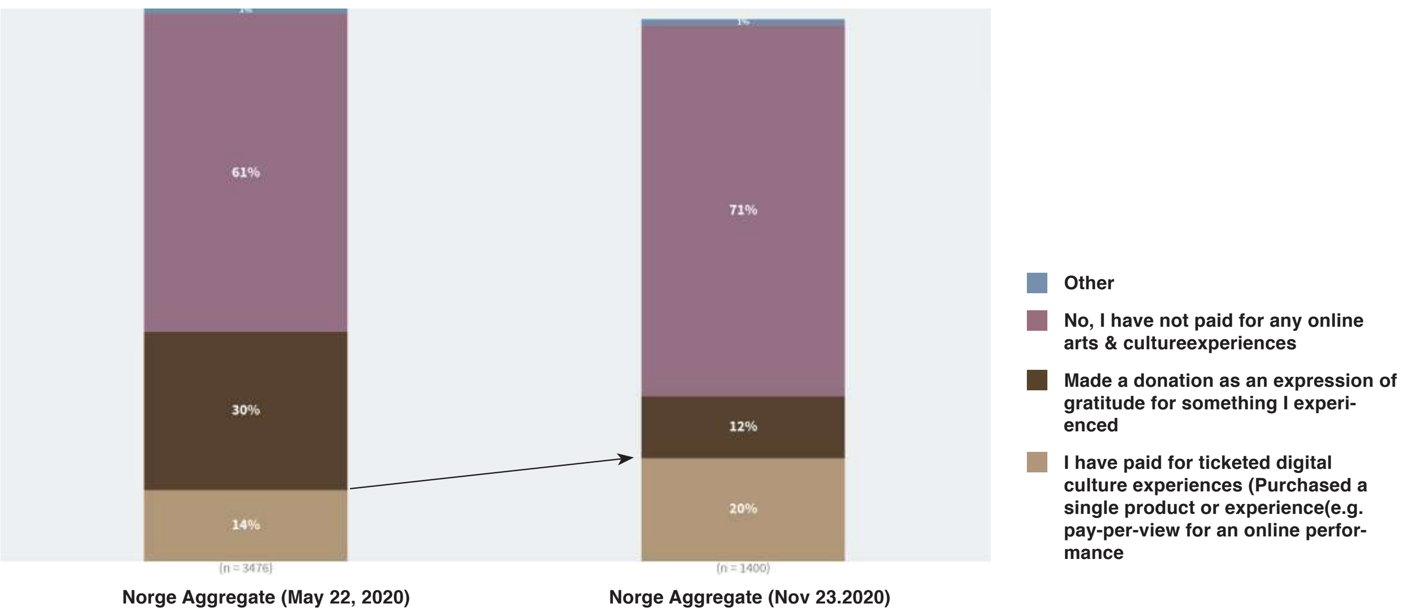


Figure 9: Paid for online content last two weeks – by age

Filter: Age Cohort Note: columns on “select multiple” questions will not total 100%

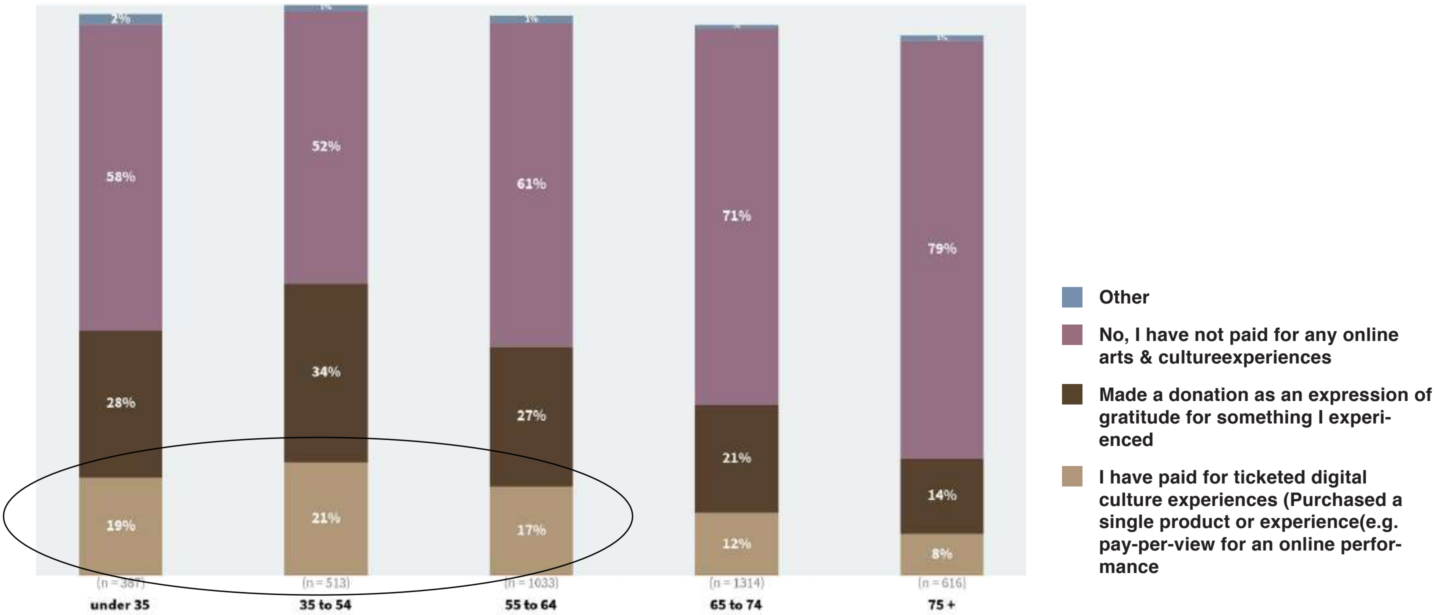


Figure 10: Do you see any value in watching a “live streamed” performance that you can-not get from watching a recording of the same performance at a later date?

This question was only asked of people who received the survey from a performing arts organization.

Filter: Age Cohort

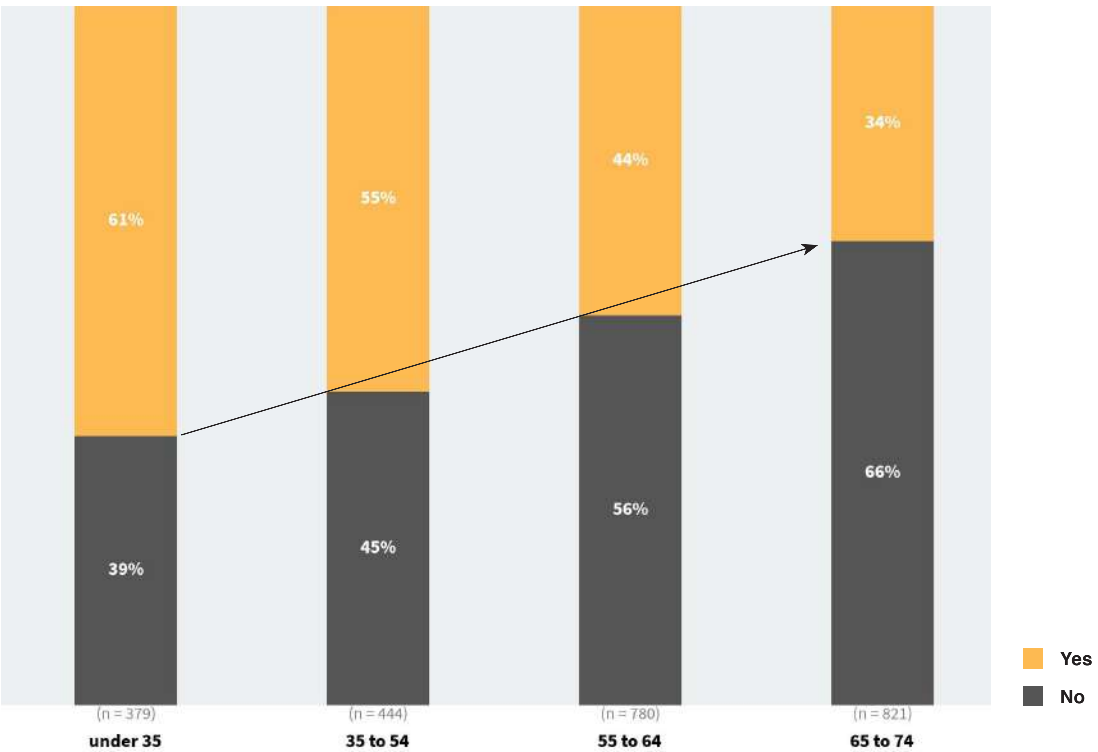


Figure 11: Motivations for participation (May)

What were your primary motivations for participating online? (Select multiple)

Note: columns on “select multiple” questions will not total 100%

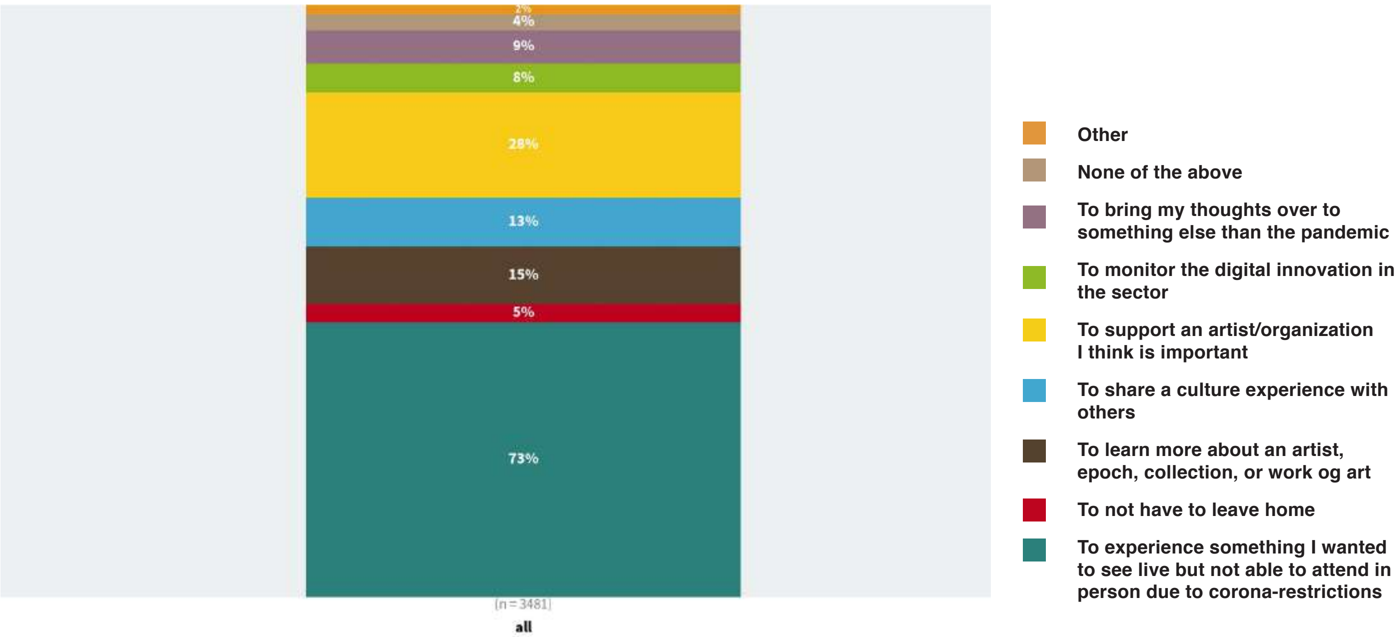


Figure 12: Motivations for participation (May)

Younger are more likely to be motvated by «sharing and caring»+ digital innovation

Note: columns on “select multiple” questions will not total 100%

Figure 13: Online discovery

In the past two weeks, have you, or has a friend or family member, discovered a new artist, artwork or performance online? (Select multiple)

Note: columns on "select multiple" questions will not total 100%

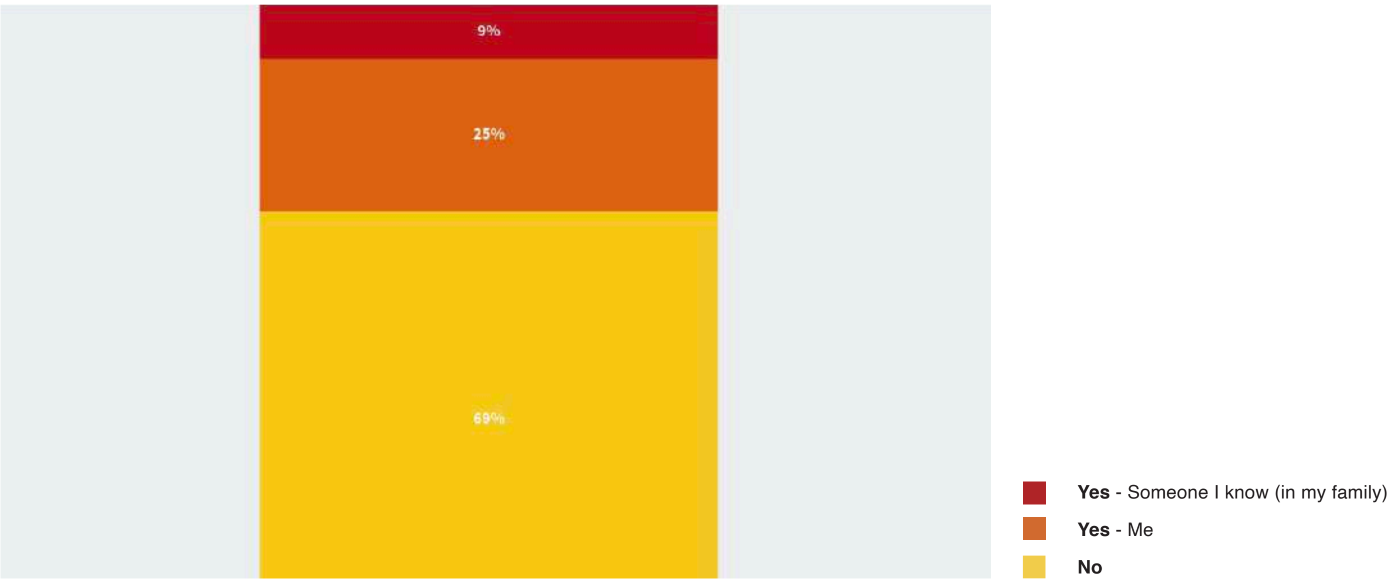


Figure 14: Discovery by age

In the past two weeks, have you, or has a friend or family member, discovered a new artist, artwork or performance online? (Select multiple)

Filter: Age Cohort   Note: columns on "select multiple" questions will not total 100%

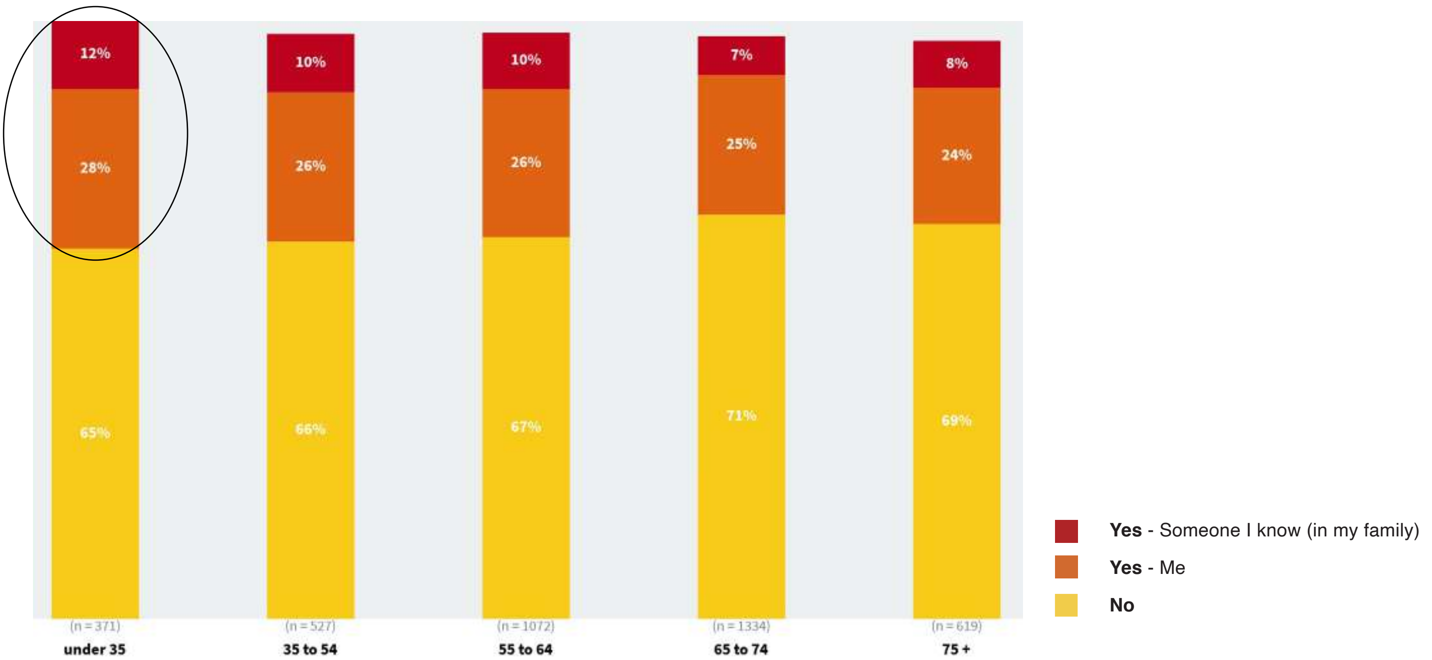


Figure 15: Barriers for participation (May)

Which of the following barriers have you experienced in accessing online or digital arts & culture programs? (Select multiple)

Note: columns on "select multiple" questions will not total 100%

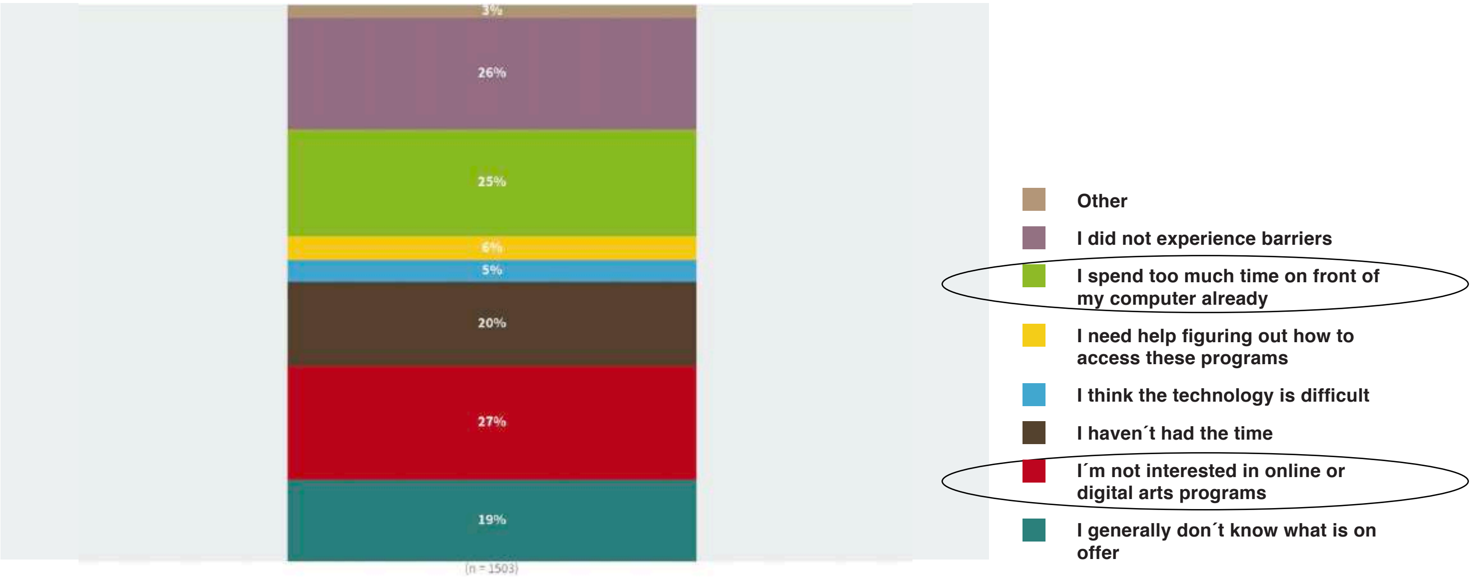
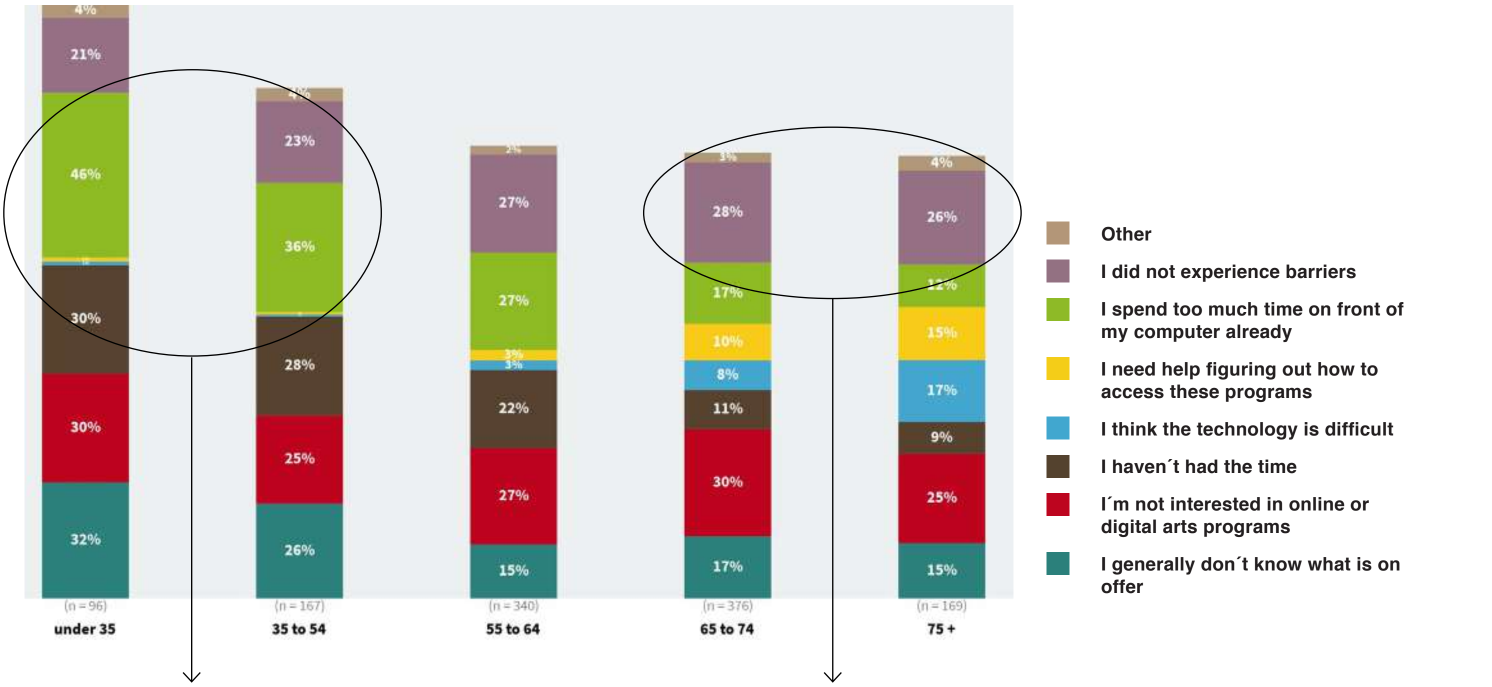


Figure 16: Barriers for participation (May)

Which of the following barriers have you experienced in accessing online or digital arts & culture programs? (Select multiple)

Filter: Age Cohort Note: columns on "select multiple" questions will not total 100%



Younger are more time poor and spend to much time infront of the screen already

Older are more likely to not experience barriers then younger

Figure 17: Number of people watching together (November)

Think about the last online program you watched... How many people did you watch with?

Filter: Age Cohort

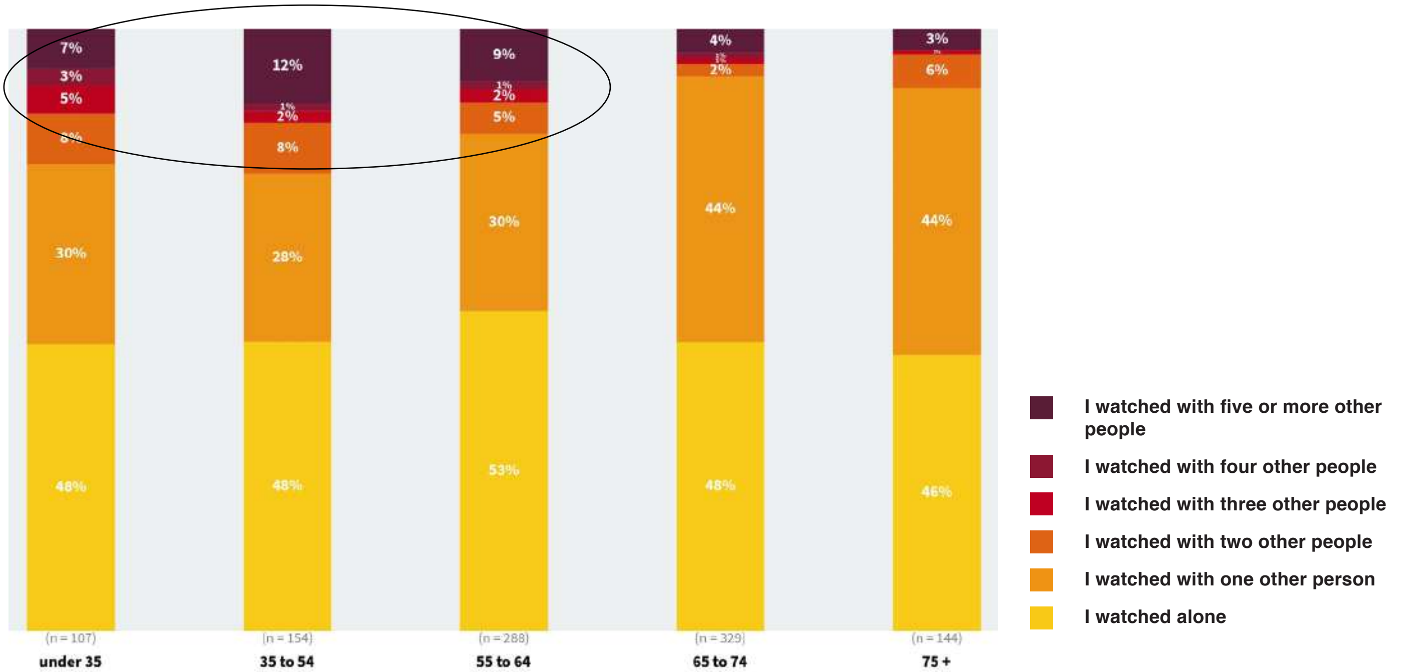


Figure 18: What is your overall level of interest in watching the following types of online music programs?

Filter : Age Cohort

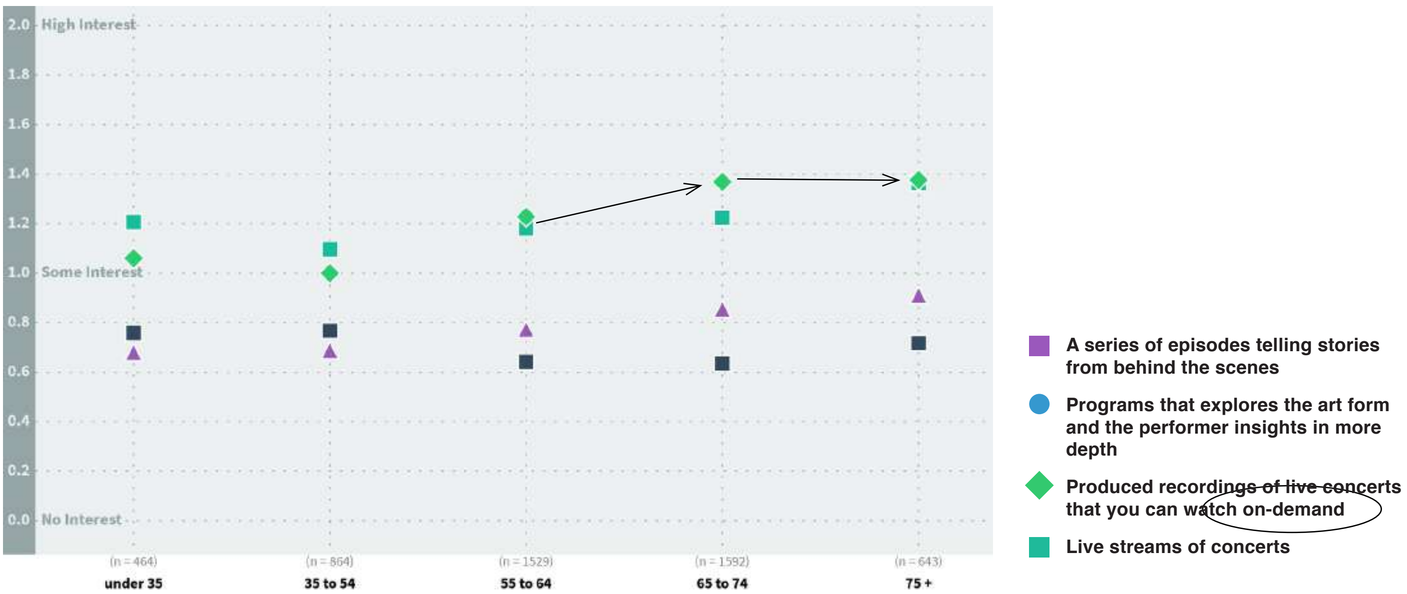


Figure 19: Suppose you were offered three options for watching a digital stream of concert, perfomed by professional musicians.

The concert consists of three sets of music, and lasts about 90 minutes, with intermissions. All else being equal, which option would you choose? This question was only asked of respondents who expressed "high interest" or "some interest" in live streamed or on-demand programming in response to the question "What is your overall level of interest in watching the following type of online music programs? Filter: Age Cohort

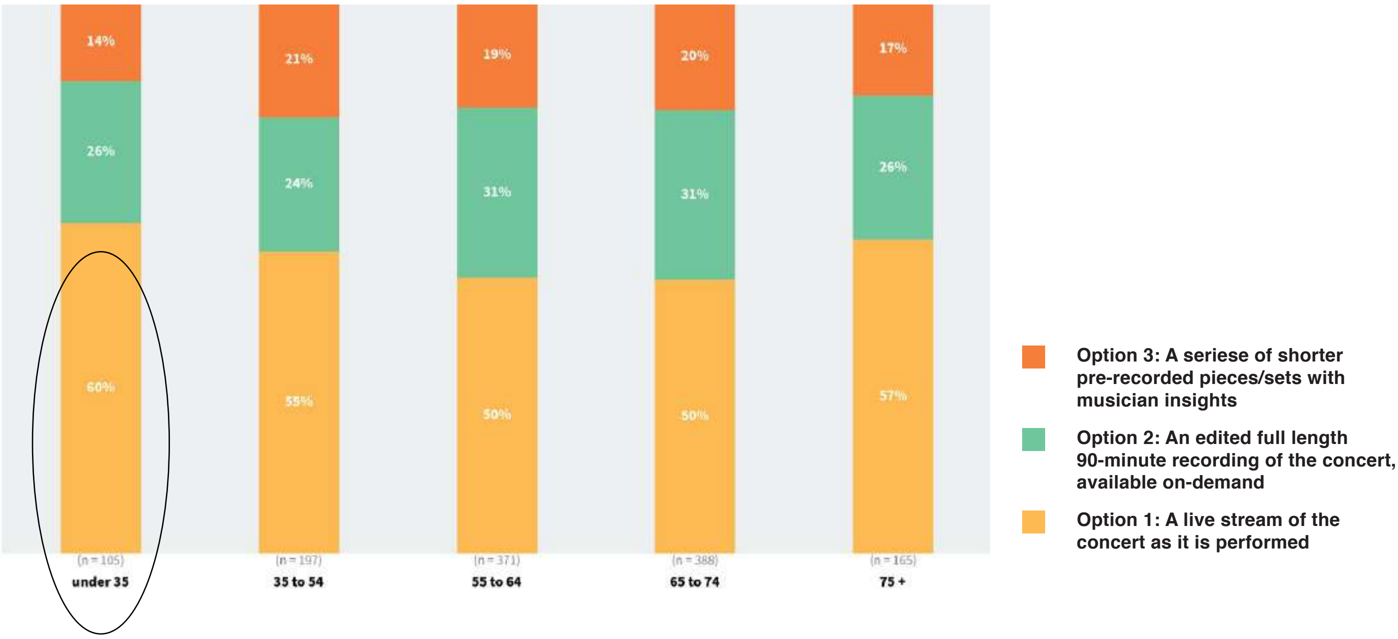


Figure 20: Digital streams of music concerts might be produced by a music organization in your area, or they might be produced by different organizations around the country or overseas. Do you have a preferance?

This question was only asked of respondents who expressed "high interest" or "some interest" in live streamed or on-demand programming in response to the question "What is your overall level of interest in watching the following type of online music programs? Filter: Age Cohort

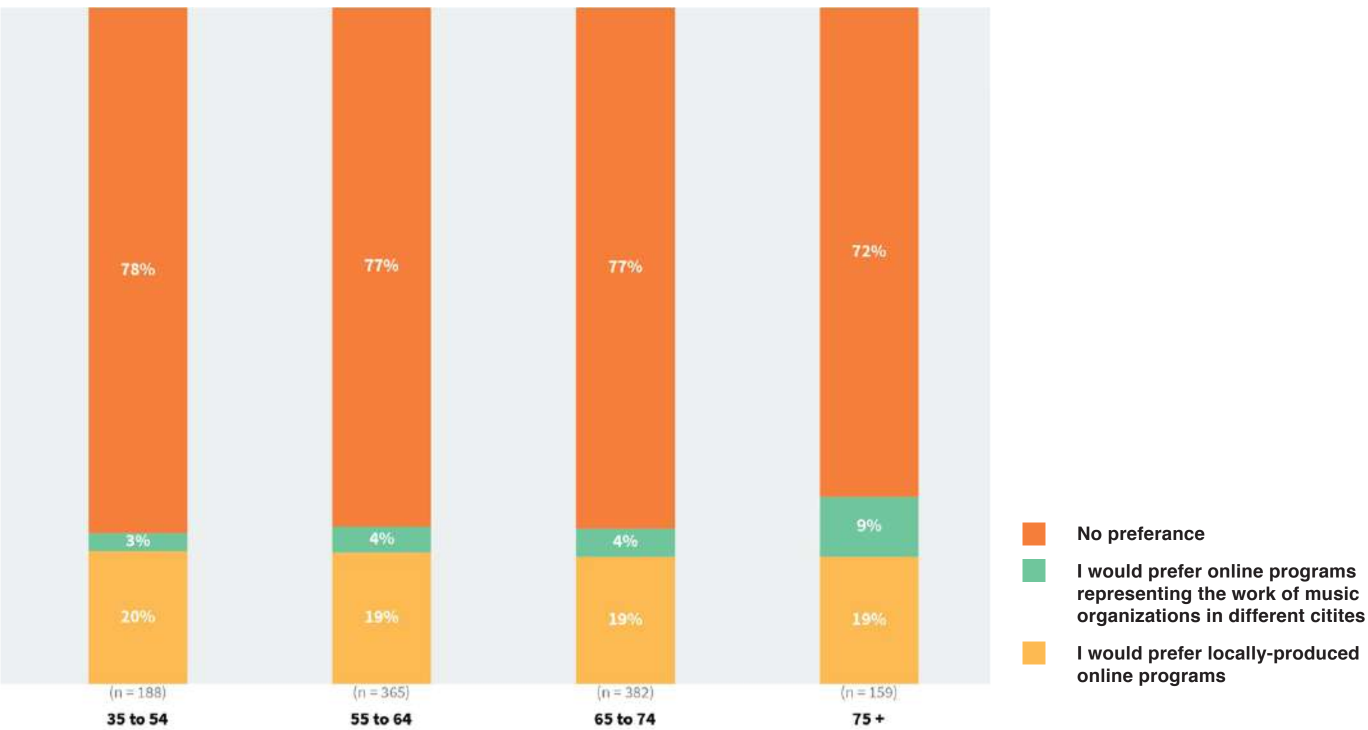


Figure 21: How much would each of the following enhance, or detract from, your experience of watching a music concert online?

Filter: Age Cohort

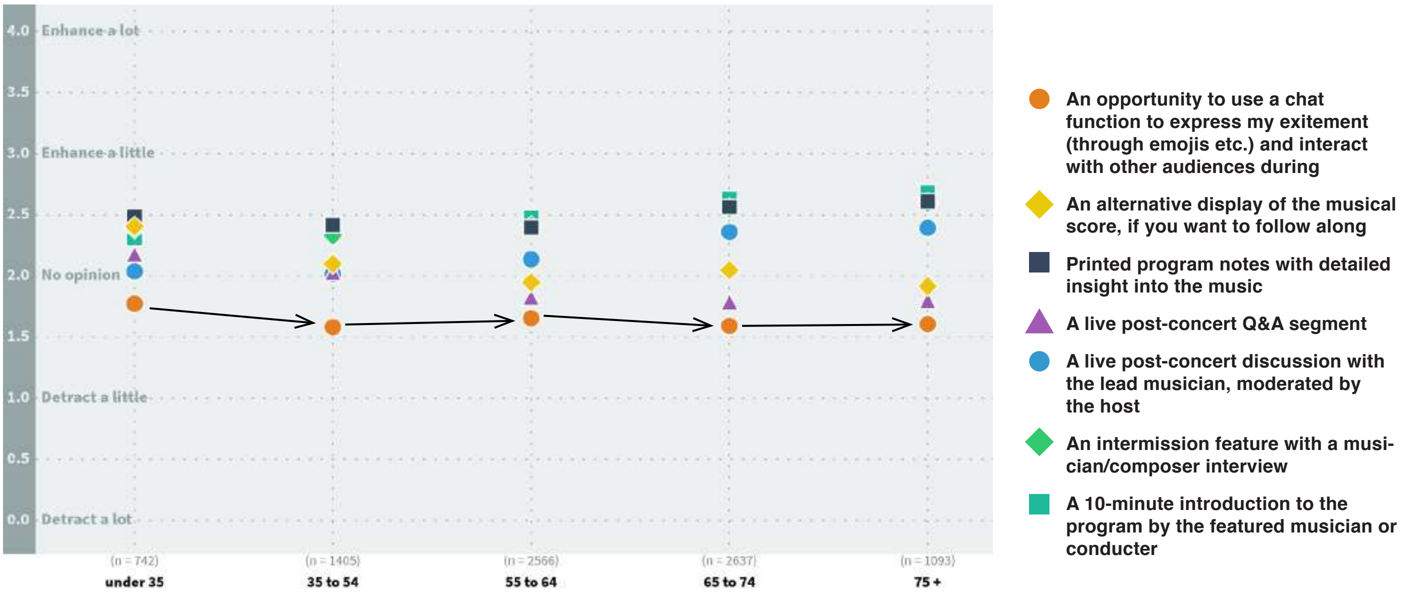


Figure 22: What would you be willing to pay for a live performance?

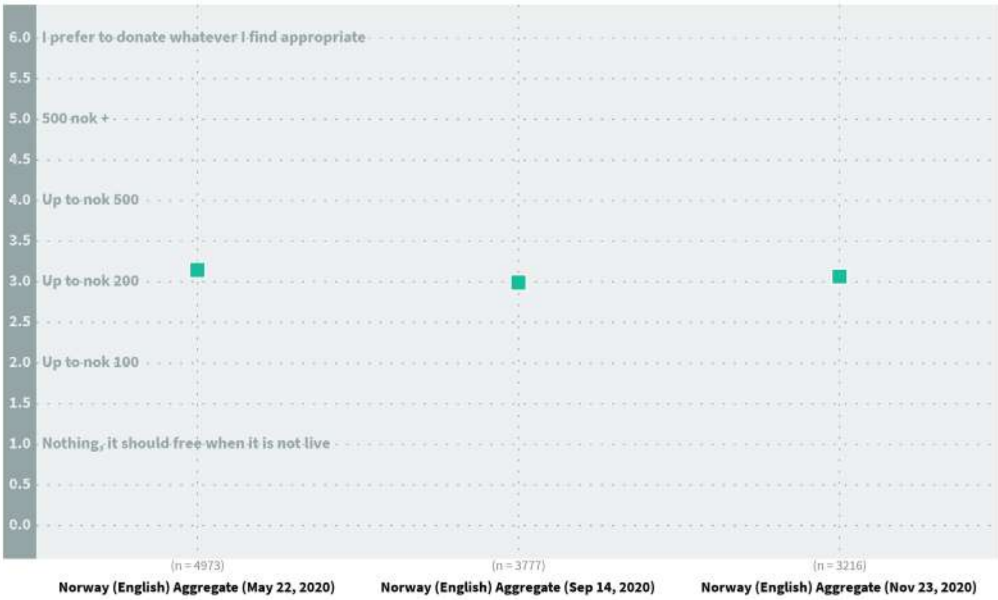


Figure 23: Prerecorded

What would you be willing to pay for a prerecorded digital cultural event?

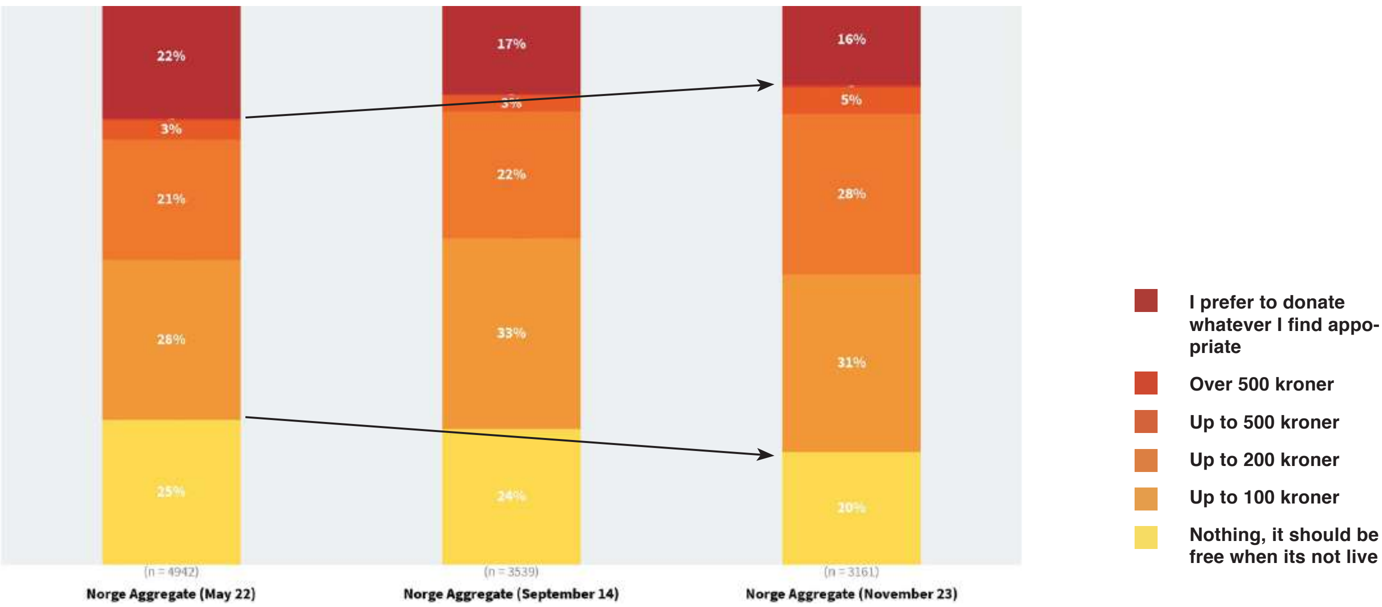


Figure 24: Live performance

What would you be willing to pay for a live streamed cultural event?

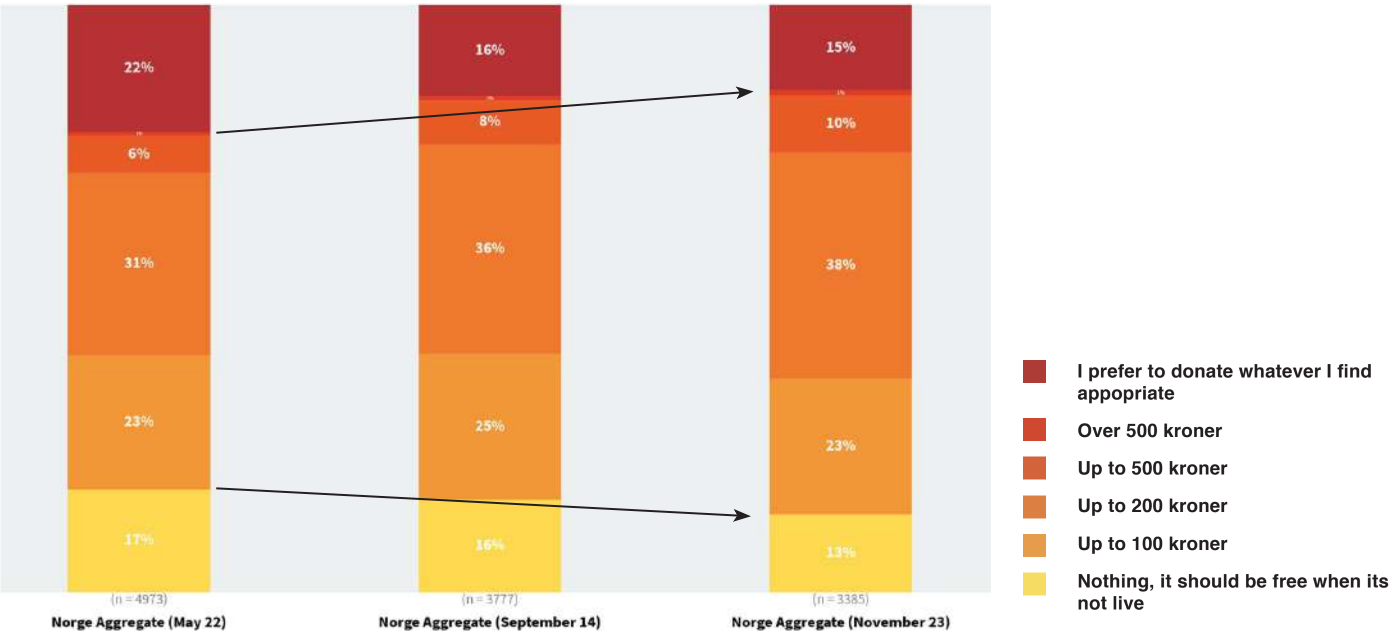
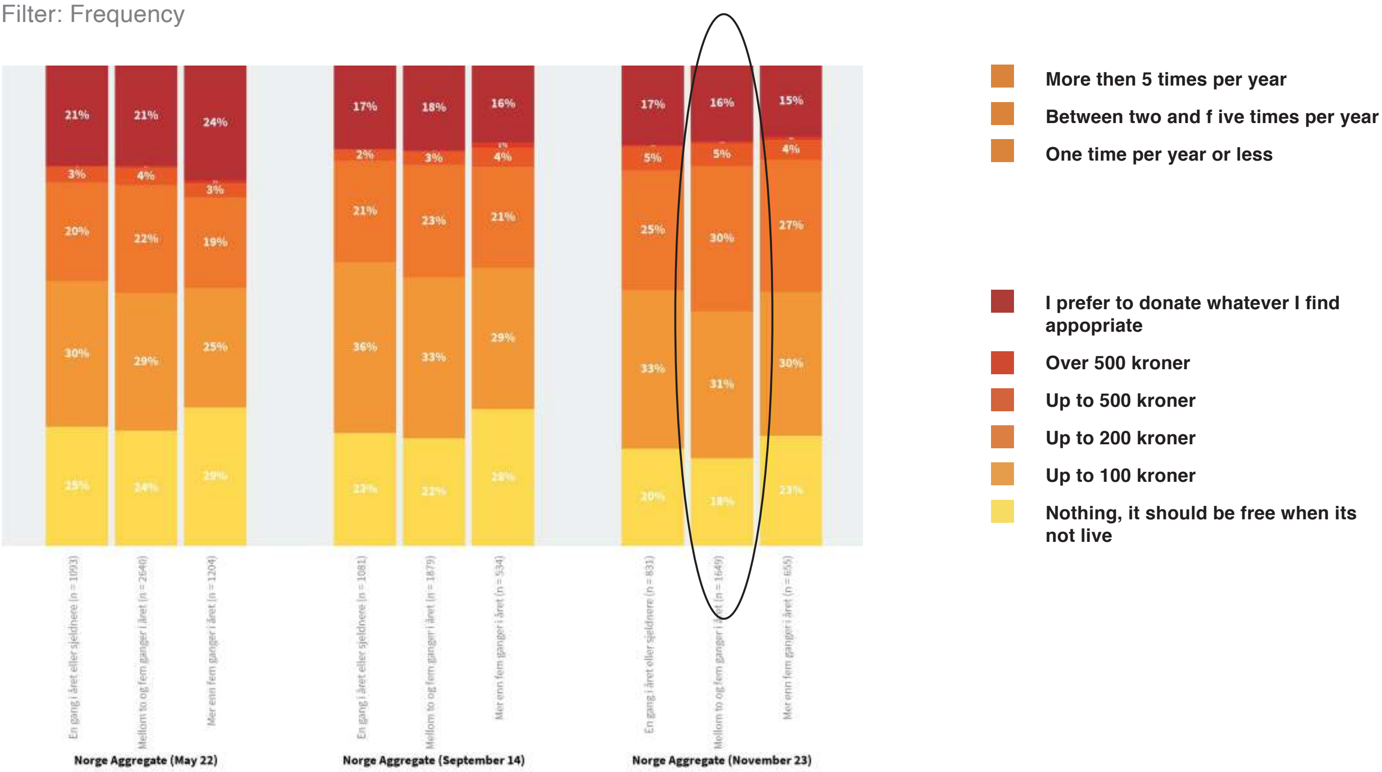


Figure 25: Prerecorded by frequency

What would you be willing to pay for a prerecorded digital event?

In person attenders 2-5 times per year are most willing to pay for prerecorded

Filter: Frequency



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