Adventures in forecasting

Deciphering audience clues through a new lens

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Who we are

A not for profit tech company,

focused on the needs of arts and cultural organisations,

dedicated to innovation,

building community,

and serving as a true partner.

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1. Getting a lay of the land
2. Defining where we are
3. Mapping our way
4. Planning our next trip
5. Q&A

Getting a lay of the land

Understanding how we got here

Modelling revenue

- Traditional forecasting leans on historical data
- The pandemic brought a throughline of uncertainty

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How can we model the future when the present bears little resemblance to the past?

Tourists

- Significant impact
- Slow recovery
- Trend to localism

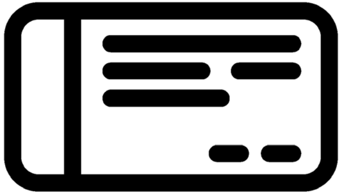
Loyalists

- Strong support
- Frequency key
- Float in and out

Irregulars

- Product driven
- Substitute options
- Possibly risk averse

Why it matters



- Not every ticket is sold equally
- Subscriber and member tickets may be discounted
- Predicting a loyalist market

Defining where we are

Tessitura's European Regional Benchmarking Pilot

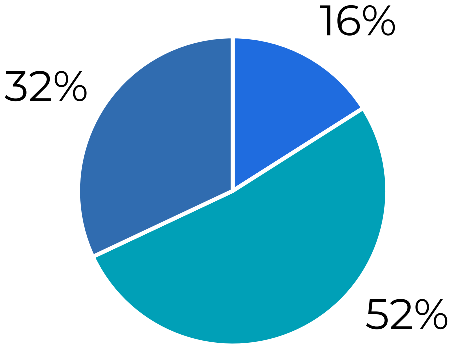
Value of benchmarking

- Make objective comparisons
- Create shared understanding

Audience intent

- 14% of engaged cultural consumers have yet to return
- Additional 30% anticipate attending less frequently
- Many factors influence attendance

March 2022 UK Missing Audiences survey



25
organisations

52%
performing arts

84%
UK-based

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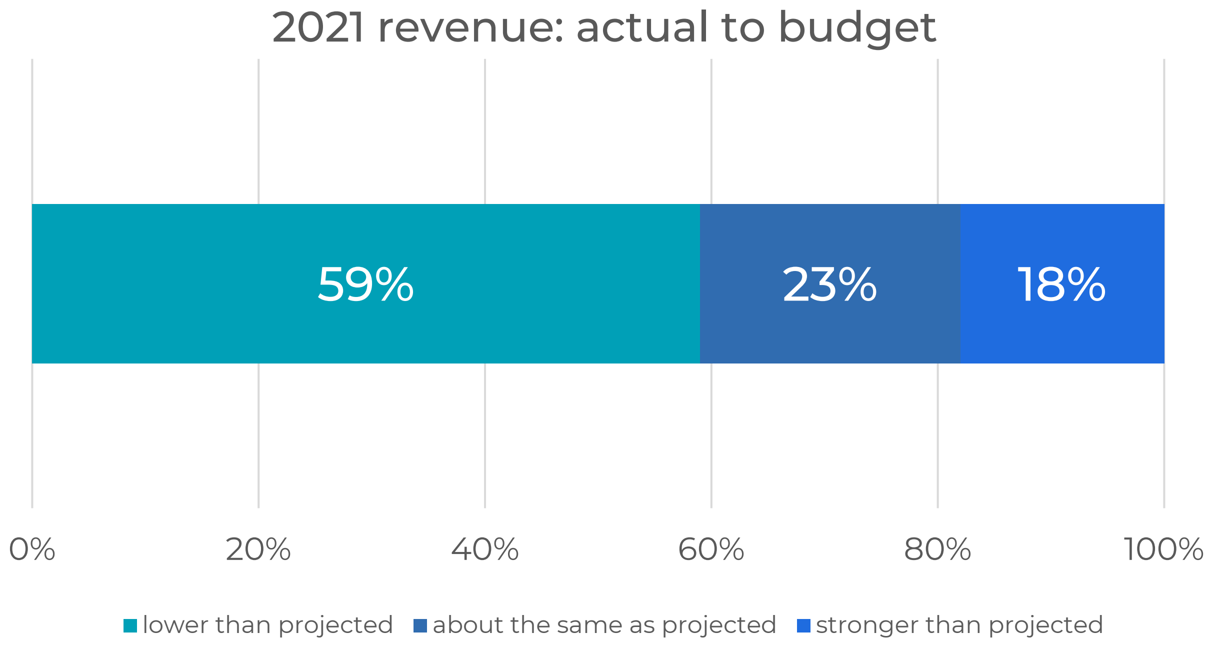
Survey Distribution

- December 2021
- January 2022
- March 2022 (pulse check)

Key learning:

Recovery is slow.


2021 revenue: actual to budget
59%
23%
18%
0%
20%
40%
60%
80%
100%
lower than projected
about the same as projected
stronger than projected

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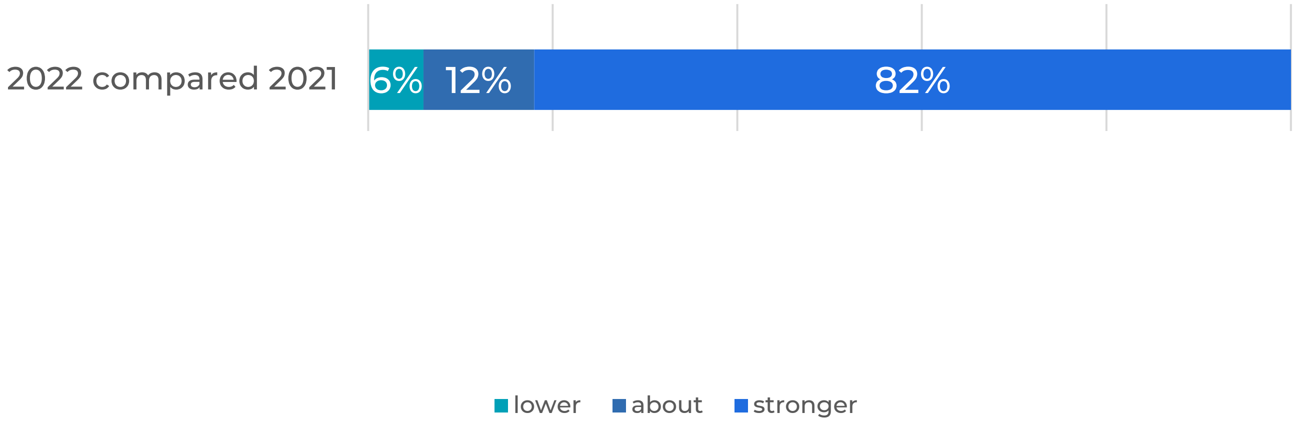
2022 projected revenue: 2019 and 2021 comparison



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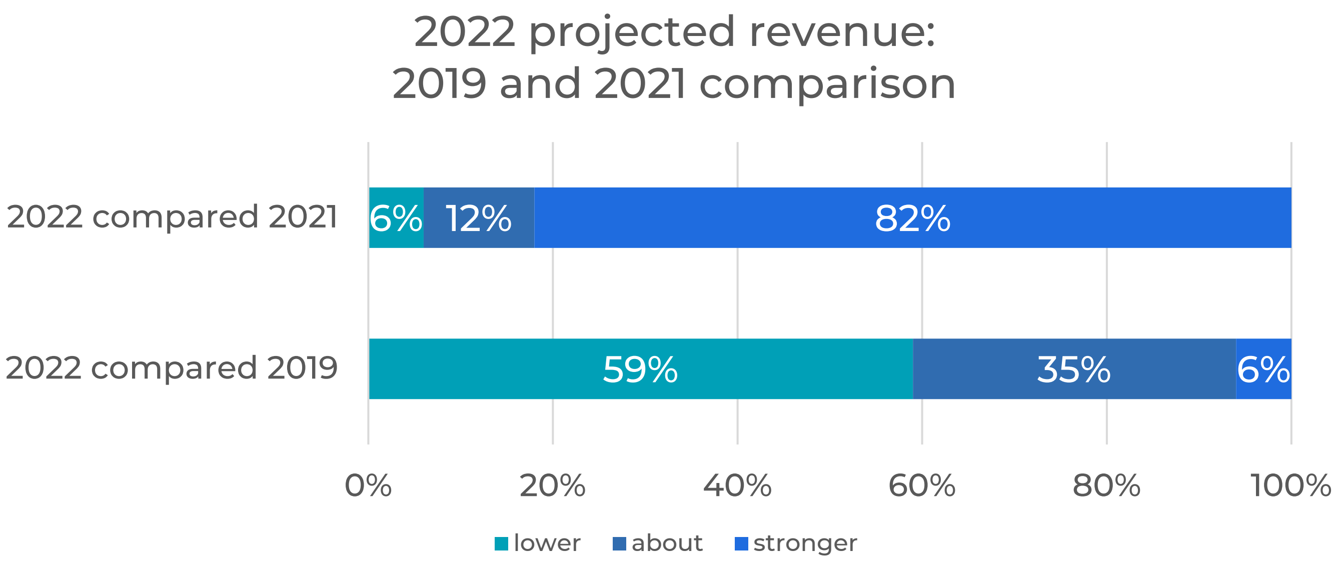

2022 projected revenue:
2019 and 2021 comparison
2022 compared 2021
6%
12%
82%
2022 compared 2019
59%
35%
6%
0%
20%
40%
60%
80%
100%
lower
about
stronger

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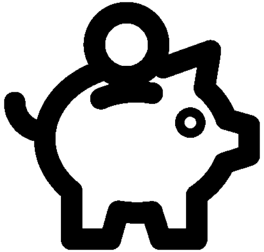

62%
year-to-date revenue

65%
year-to-date target

50/50 split
below/above target

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Key learning:

People are booking later.

71%
report later
booking trend

down from 82%
in December

Key learning:

Exchanges and refunds remain higher.

71%

report more refund and exchange requests

But policies are tightening

Key learning:

Programming is key.

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- Non-returners haven’t found what they want to attend yet
- Traditionally strong programs continue to lead
- Less appetite for artistic risk

Mapping our way

Updating your modelling strategy

Forecasting demand now

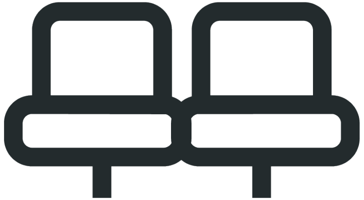
Reflect on the past

Be in tune with the present

Stay open to change

Determine your demand gap

Demand gap



April-October 2021

54%
avg. operating capacity

61%
avg. sold capacity

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Demand gap

April-October 2019

100%
avg. operating capacity

69%
avg. sold capacity

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69% → **61%**

33%
total sold
capacity

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Three-pronged approach

- What would similar content have attracted pre-pandemic?
- What was the demand gap for this type of content during reopening?
- What are the intent-to-return rates for audiences of this content?

Reconsider your churn metrics

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Churn

- Majority of people attend once
- Return cycles are longer
- Look farther back

Planning our next trip

Takeaways for the future

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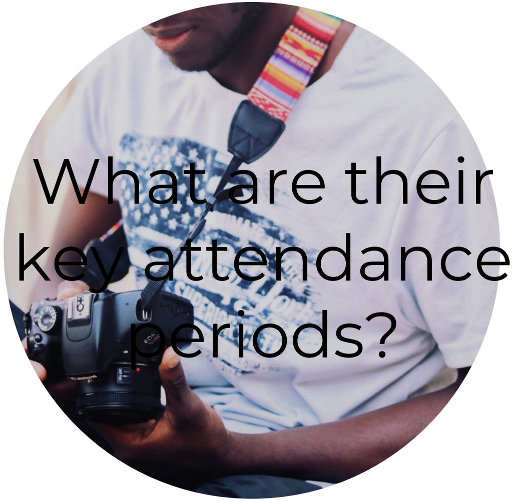
- Layer your insights



What are their key attendance periods?

What events do they attend?

How far in advance do they book?

- Layer your insights
- Recreate attendance habits

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When do they plan their next trip?


How often do they want us to reach out?


What will encourage a second visit?

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- Layer your insights
- Recreate attendance habits
- Evaluate your retention models

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Are travel patterns changing?

How do we define loyalty?

What ways do they engage?

- Layer your insights
- Recreate attendance habits
- Evaluate your retention models
- Fixate on engagement

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Thank you!

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Enter to win!