



DENVER CENTER FOR THE PERFORMING ARTS LEVERAGES BIG DATA TO REACTIVATE LAPSED PATRONS

QUICK FACTS:

Location: Denver Center for the Performing Arts (DCPA) is a non-profit located in Denver, Colorado

Size: DCPA is the largest tenant within the 12 acre Denver Performing Arts Complex

Opened: 1979

Website:

denvercenter.org

CHALLENGE:

Reactivate lapsed patrons who have not transacted with DCPA in two years

STRATEGY:

The development and execution of a Precision Marketing Campaign leveraging DCPA's existing historical data of 21 M transactions from 2007-2013 to deepen and reactivate patron engagement with the Center

The Denver Center for the Performing Arts engaged the Arts & Analytics Company, with a coalition of trusted partners, to execute a Precision Marketing pilot program in support of its overall mission of delivering excellence in theatre.

THE DENVER CENTER FOR THE PERFORMING ARTS BACKGROUND:

The Denver Center for the Performing Arts' history is intertwined with that of the Denver Performing Arts Complex. Both were ideas that blossomed from an original dream shared by philanthropist, *Denver Post* owner and occasional actress Helen G. Bonfils and Wall Street lawyer and Broadway producer Donald R. Seawell. The dream began in the 1950s and became a reality when Mr. Seawell found himself at 14th & Curtis streets looking at the 1908 Denver Municipal Auditorium and the all-but-abandoned blocks surrounding it. He was struck with an idea, sat down on the curb, took an envelope from his pocket, and sketched what would become the largest performing arts facility under one roof in the world.

Soon afterward, he turned his attention to the creation of what would become the largest resident, professional theatre company between Chicago and the West Coast, the Tony Award winning Denver Center Theatre Company (DCTC). Since 1979, DCPA has entertained audiences with more than 475 Broadway hits, 11 fresh cabaret shows, and 375 locally produced plays - including 125 world premieres. Today the DCPA serves the community by entertaining over 750,000 patrons, providing community education to more than 50,000 students, and offering its stunning rental facilities resulting in millions of dollars returned to the surrounding local communities and businesses.

PRECISION MARKETING: A DATA DRIVEN APPROACH TO ENGAGE AND RETAIN PATRONS

Today, many performing arts venues are confronting a new set challenges, which require innovation to attract and retain their most valuable asset—the patron. In the past, many organizations could rely upon traditional marketing channels to sell individual tickets, seasonal subscriptions, and to raise funds. Today traditional marketing channels are no longer effective and now, the arts must innovate to activate.

Precision Marketing is the ultimate customer-centric approach to marketing and is driven by data-based customer insight and metrics, that clearly measure marketing effectiveness. Precision Marketing considers historic transactions to predict future outcomes. This insight enables the creation of relevant campaigns, meaningful patron segments and personas, and quantifiable ROI.

As an industry thought leader, DCPA has maintained an active transactional database but had not leveraged the data to create actionable insight or to influence campaign outcomes.

DCPA's ongoing commitment to excellence, led them to initiate a Precision Marketing pilot to test its efficacy.



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DATA:

Total: 21M Transactions

Patrons: 366,000 Unique Patrons

Households: 344,000 Unique Households

Test Segment: 36,000 Patrons

Control Segment: 4,000 Patrons

CAMPAIGN:

Direct Mail: 20,000 Pieces

Email: 23,000

Metrics: Landing Page, Promotion Code, Call Center, Conversion Rate, Tickets Sold, Revenue, and Email

TEST VS CONTROL:

Conversion Rate: 184%

Revenue: 1637%

SOFTWARE:

SPSS (IBM)

PROGRAM GOALS:

The Precision Marketing key campaign goals were

- Create a reusable Response Model asset that would target the “best” lapsed patrons to respond to the “Welcome Back” reactivation campaign.
- Implement an integrated marketing reactivation campaign that exemplified best practices in data, data cleansing, direct marketing design, and email to yield a measureable business outcome or ROI.

PROGRAM EXECUTION STRATEGY AND PROCESS

The reactivation campaign would follow the Precision Marketing six-step framework:

Define Objective: The first step is to align the campaign goals with DCPA strategic business goals. The object was to reactivate lapsed patrons that have not purchased a show ticket in two years, further supporting the over-arching goal of increasing audience capacity.

Gather Data: The second step is to complete a data review to garner insight into the data at hand. In this case, over 21M lines of data had to be reviewed, cleansed, and appended with demographic attributes to create a data set of 366,000 unique patrons for the modeling effort.

Model: The third step is to build a predictive model to analyze current and past patron patterns including transactional purchasing behaviors, seasonality, ticket price classes, and demographics such as gender, home ownership, and marital status. The final model would select lapsed patrons with the highest propensity to transact with the center as recipients for the “Welcome Back” campaign.

Strategize: The fourth step is to create a new “Welcome Back” campaign to implement, leveraging direct marketing best practices. The content is fresh, warm, and welcoming. The offer is compelling and time sensitive. The layout supports a clear call to action for both the email and the direct mailer.

Deploy: The fifth step is to deploy the “Welcome Back” campaign. The model selected and scored the top 40,000 lapsed patrons that would receive the campaign in which 20,000 would receive direct mail in addition to email. The test group will consist of approximately 36,000 patrons and the control group consisted of 4,000 patrons.

Measure: Finally, after a four-week period, the “Welcome Back” campaign performance is analyzed and measured.

PRECISION MARKETING RESULTS

	Channel ROI	Email Performance
Email Only ROI:*	738%	↑ 38% Open Rate
Direct Mail Only ROI:	367%	↑ 210% Click Through Rate
Email & Direct Mail ROI:	452%	↓ 95% Opt Out
Overall Campaign ROI:	506%	↓ 90% Spam

*Email Only ROI calculation does not include print costs.