

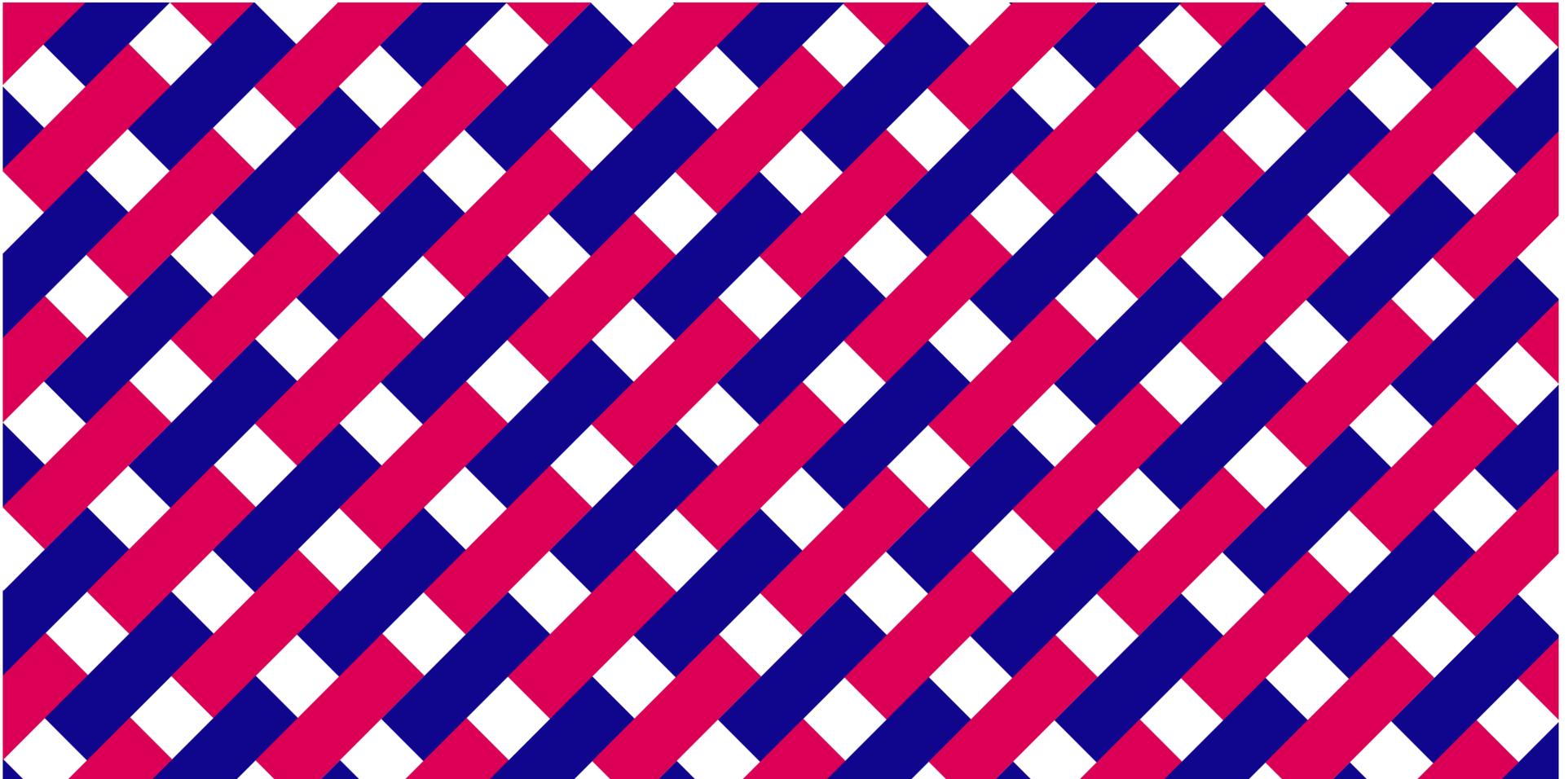
webb

management
services
incorporated

building creativity

Performing Arts Study Presentation of Findings

September 30, 2013



presentation

- * Introductions
- * Performing Arts Community
- * Facilities
- * Audiences
- * Funding
- * Summary of highlights



webb management services

Background

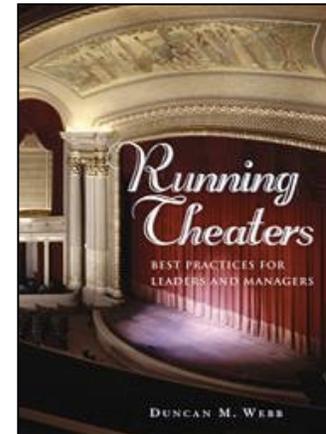
- * Management consulting practice for cultural planning, organizations and facilities
- * Small and focused company based in NYC
- * Clients are government, arts groups, developers and educators
- * In our 15th year, starting our 315th project

Services

- * Cultural plans, district plans
- * Feasibility studies, business + strategic plans

Staff

- * Former artists + arts administrators
- * Degrees in arts, business and finance



wolfbrown

Background

- * National leader in research on audience behaviors and cultural participation

Services

- * General population studies of patterns of arts participation
- * Evaluation services for philanthropic foundations
- * Audience studies (impact assessment, attitudinal segmentation)
- * Clients include foundations, service organizations, arts presenters and producers

Staff

- * Alan Brown is a national leader on trends in arts participation and audience behaviors



the performing arts community



current situation

Cultural Plan

- * Placemaking
- * Neighborhood arts
- * Animating existing facilities
- * Developing new facilities
- * Funding opportunities

Recent Cultural Development

- * Central Public Library
- * South Madison Center for Culture + Community
- * University of Wisconsin – School of Music + Wisconsin Union Theatre
- * Madison Opera
- * Centro Hispano



current situation

- * Lots of amateur groups and few paid opportunities
- * The sector has trouble engaging ethnically-specific audiences
- * Lack of available and affordable space
- * Overture is an important resource but could do more
- * Desire for better connection amongst UW, City, artists and arts community
- * The community is regional and friendly but competitive



survey of facility users

Survey Protocol

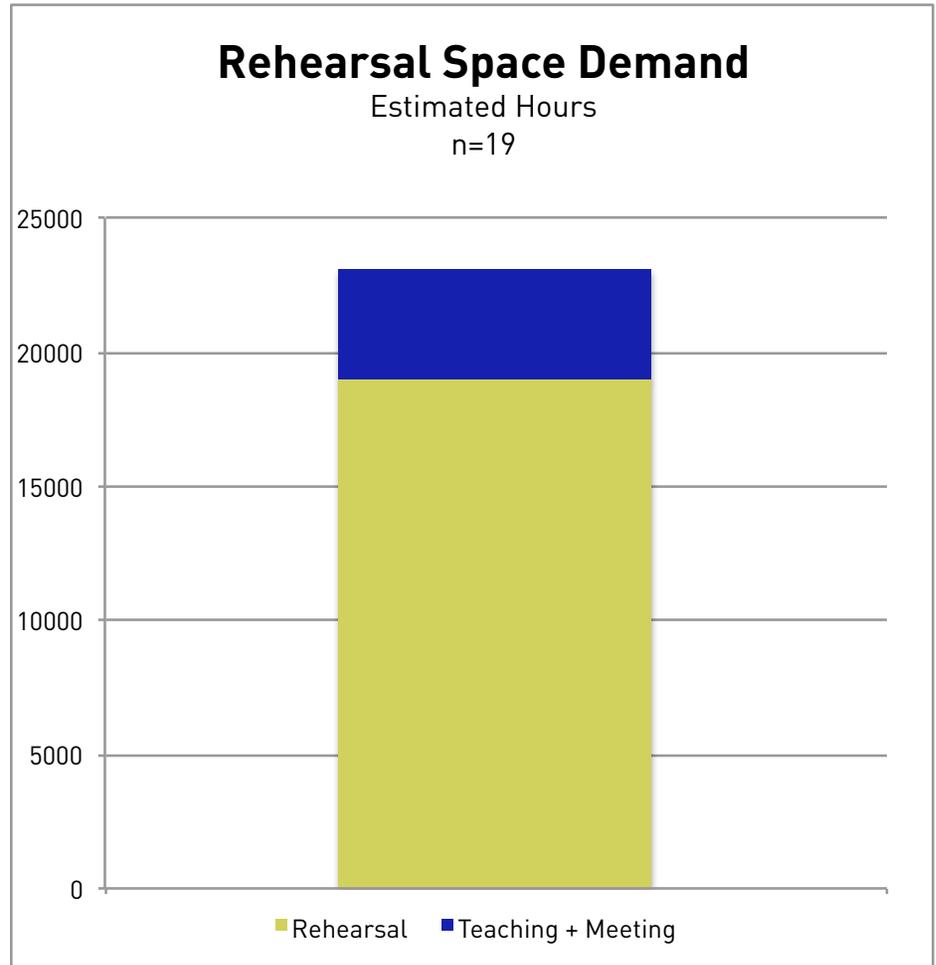
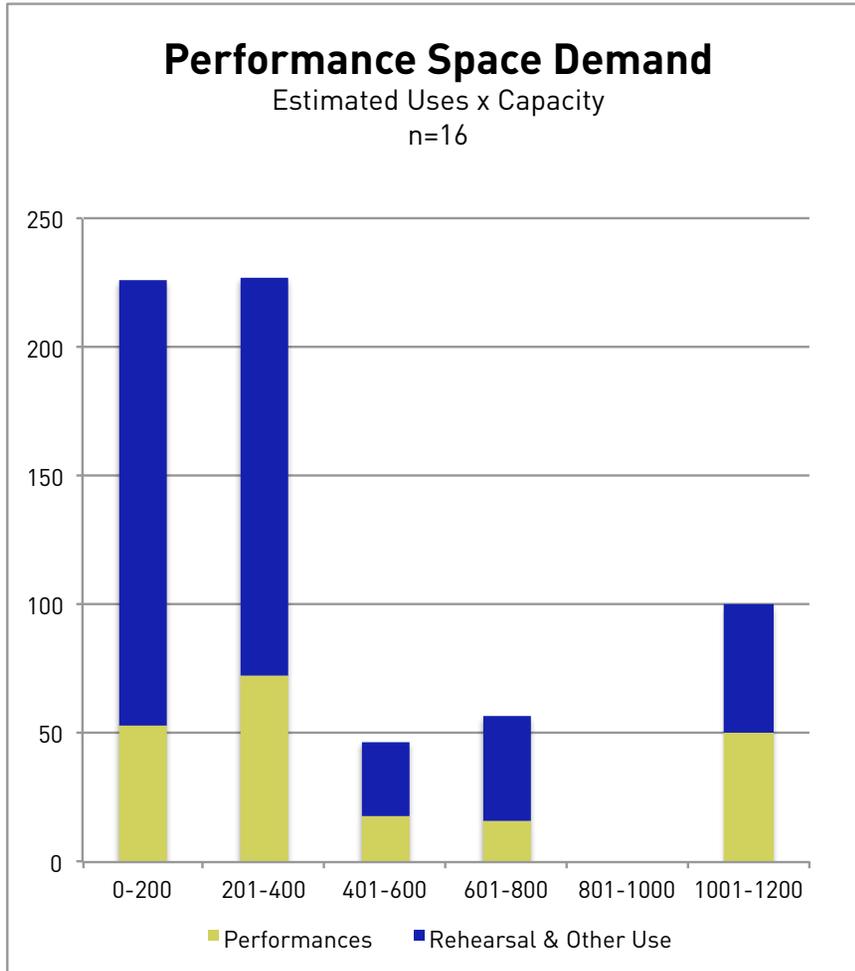
- * Survey issued to 123 arts groups
- * Focus on satisfaction and demand
- * Additional questions around potential for collaboration

Results

- * 29 responses
- * Moderate level of satisfaction with performance facilities
- * Biggest complaints concern rental rates and availability
- * Hope for investment in existing performance space
- * Interest in shared services



survey of facility users



key issues – arts community

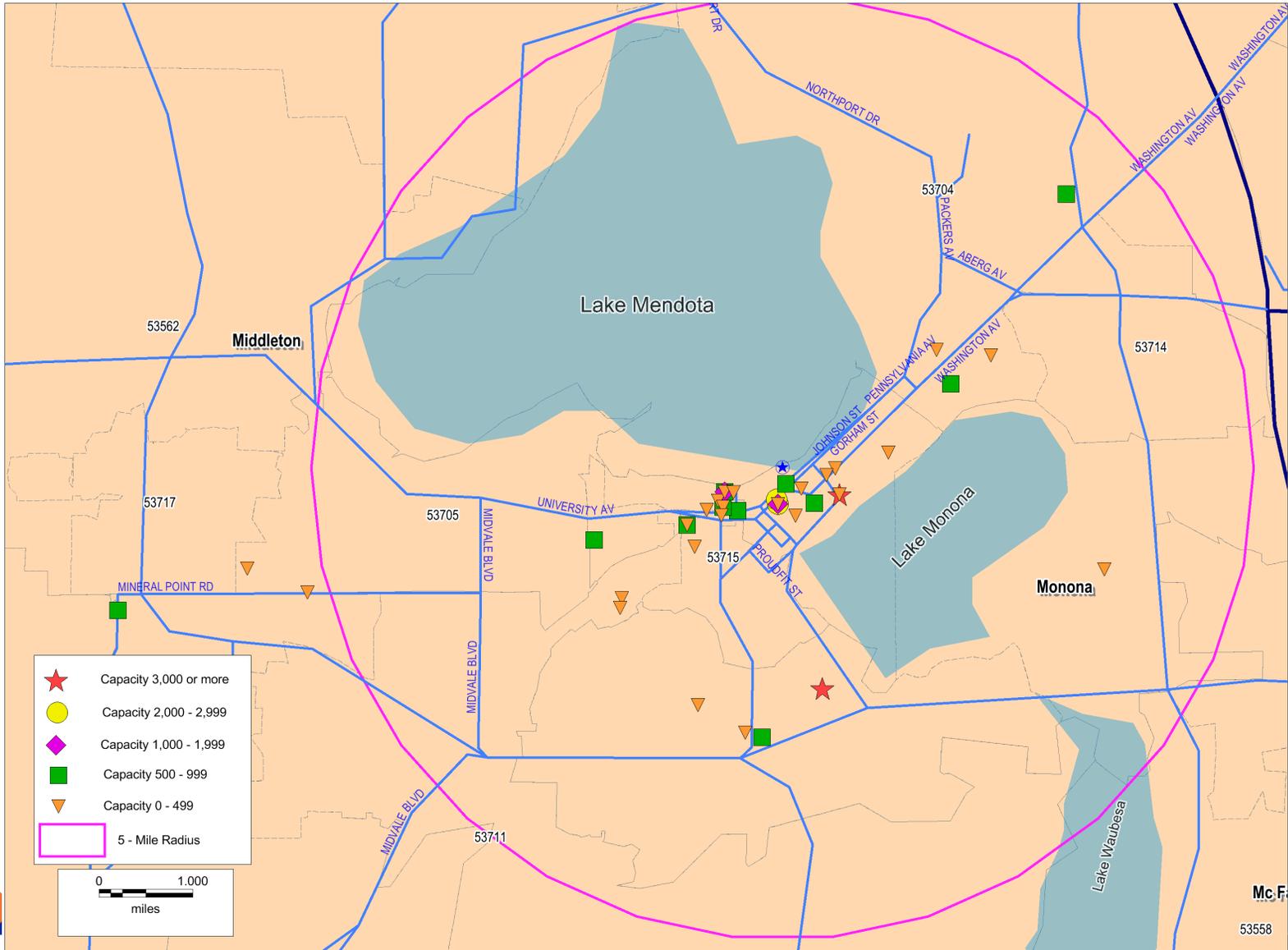
- * Some demand for performance space
- * Most significant demand for rehearsal and other space
- * Large set of amateur or pro-am arts groups
- * Need for networks and connectors



facilities



inventory + assessment



inventory + assessment

Type of Space	Presenting Activity	Producing Activity	Educational Activity	Rental Activity																																		
					Broadway	Off-Broadway	Dance	Music	Theater	Film	Popular	Opera	Family	Comedy	Speakers	Cultural	Theater	University/School/College	Music	Dance	Opera	Comedy	Festivals	Cultural	Student Matinees	Residency/Visiting Artists	Pre-/Post-Show Discussion	Tours	Classes	Other	Local Arts	Regional Arts	Broadway	School/College	Private Events	Promoter - Popular	Sporting Events	
Event Center	Alliant Energy Center	10,231																																				
Event Center	Monona Terrace Madison Exhibition Hall	3,300																																				
PAC	Overture Center, Overture Hall	2,255																																				
Theater	Orpheum Theatre	2,000																																				
School/Conservatory/Theater	University of Wisconsin Memorial Union, Union Theater**	1,300																																				
PAC	Overture Center, Capitol Theater	1,089																																				
School/Conservatory	West High School Auditorium	980																																				
Theater	Madison Area Technical College, Mitby Theatre	975																																				
Theater	Barymore Theatre	971																																				
Theater	Masonic Center Auditorium	950																																				
Live Music Venue	Segredo	720																																				
School/Conservatory	University of Wisconsin, Mills Hall	700																																				
School/Conservatory	University of Wisconsin, Memorial Union, Der Rathskeller	600																																				
Live Music Venue	Majestic Theatre	600																																				
School/Conservatory	University of Wisconsin, Union South, The Sett	550																																				
Community Center	South Madison Culture & Community Center, Nehemiah Center*	500																																				
Live Music Venue	High Noon Saloon	400																																				
Event Space	The Brink Lounge	400																																				
Live Music Venue	RSR Stage/The Annex	400																																				
School/Conservatory Auditorium	University of Wisconsin Carol Rennebohm Auditorium	380																																				
Live Music Venue	The Loft	375																																				
School/Conservatory Auditorium	Sr. Kathleen O'Connell Auditorium, Edgewood High School	374																																				
School/Conservatory Auditorium	East High School Auditorium	350																																				
PAC	Overture Center The Playhouse	347																																				
School/Conservatory	University of Wisconsin Union South Marquee Cinema	330																																				
School/Conservatory	University of Wisconsin Mitchell Theatre	321																																				
Event Center	Monona Terrace Madison Lecture Hall	315																																				
PAC	Overture Center Rotunda Stage	300																																				
PAC	Overture Center Promenade Hall	300																																				
School/Conservatory Auditorium	Oakwood Village West Auditorium	300																																				
School/Conservatory	University of Wisconsin Margaret H'Doubler Performance Space	240																																				
School/Conservatory	LaFollette High School Auditorium	200																																				
School/Conservatory	Memorial High School Auditorium	200																																				
School/Conservatory	Madison Area Technical College, Studio Theatre	199																																				
School/Conservatory	University of Wisconsin, Morphy Recital Hall	170																																				
School/Conservatory	University of Wisconsin, Memorial Hall, Play Circle**	168																																				
School/Conservatory	University of Wisconsin, Eastman Organ Recital Hall	160																																				
School/Conservatory	University of Wisconsin, Hemsley Theatre	150																																				

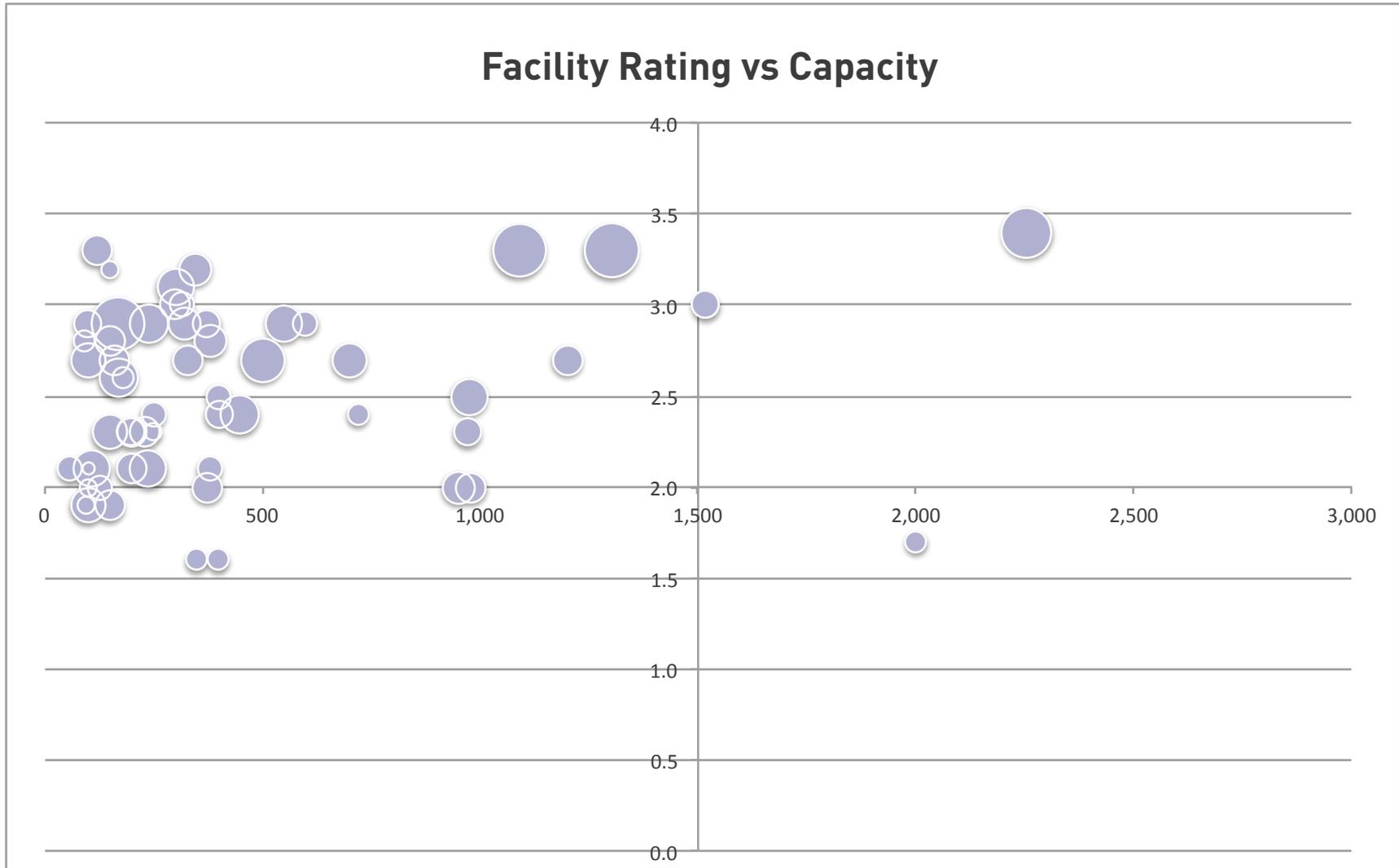


inventory + assessment

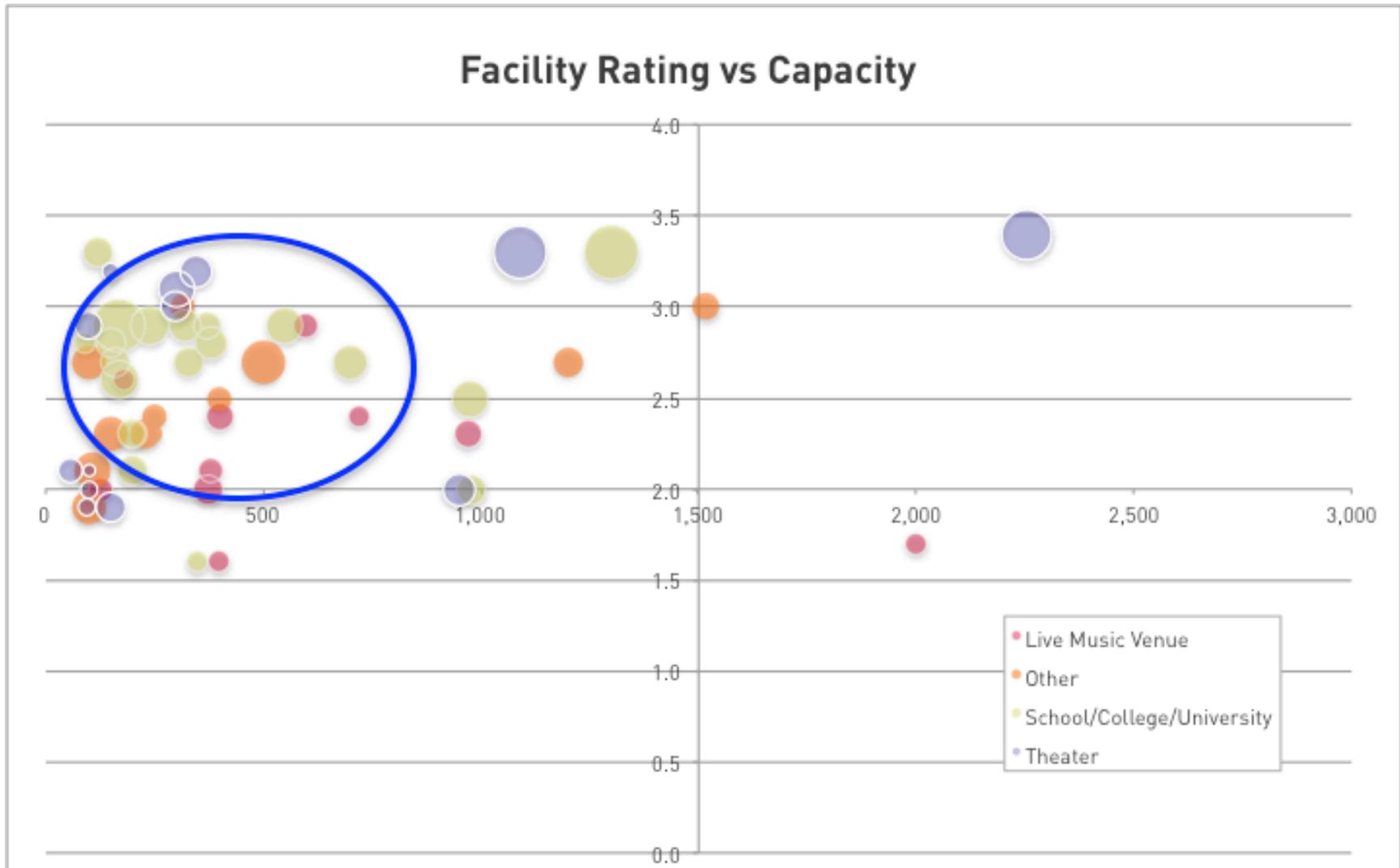
Facility Quality Rating	Avg
* Staff and Support	2.86
* Atmosphere/Character	2.74
* Facility Condition	2.66
* Suitability for Users	2.62
* Customer Amenities	2.46
* Performer Amenities	2.42
* Acoustics	2.42
* Theatrical Functionality	2.10



gap analysis + matrix



gap analysis + matrix



other spaces

- * Outdoor spaces
- * Rehearsal + production space
- * Eating + drinking establishments
- * Churches
- * Private homes



key issues - facilities

- * Large disparity in quality and cost
- * Lack of space for emerging groups
- * Downtown vs. neighborhoods
- * Lack of outdoor performance space



audiences



market definition

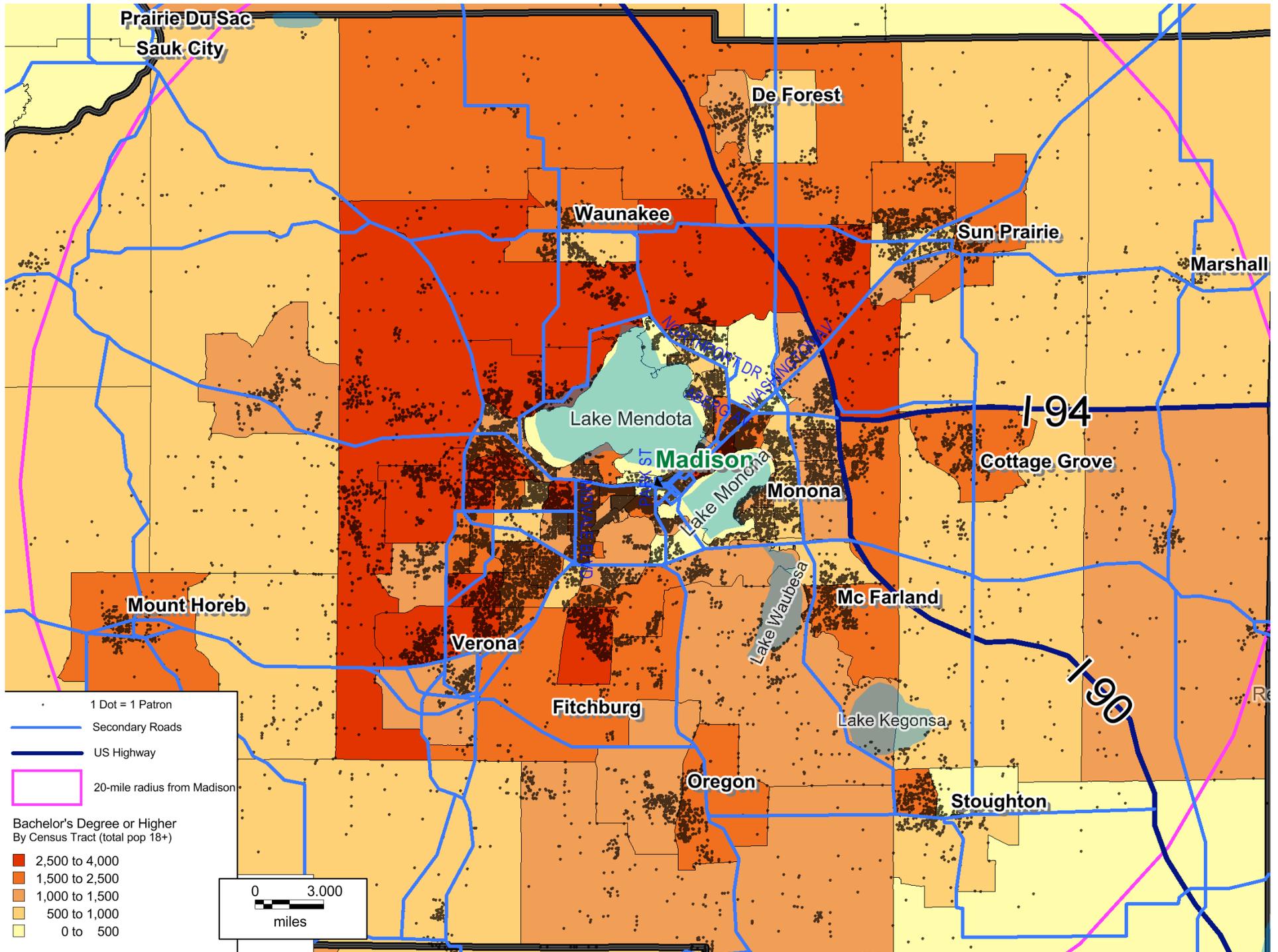
- * What are the geographical characteristics of the Madison marketplace?
- * Methodology: Dot density mapping of as many patrons as possible
- * Following the initial request for data submissions, eight groups agreed to participate in the mapping analysis. The lists with unique addresses, available for analysis were as follows:
 - * Bach Dancing and Dynamite Society (781 household records)
 - * Forward Theatre (3,808 household records)
 - * Madison Ballet (3,126 household records)
 - * Madison Symphony Orchestra (2,709 household records)
 - * Madison Theatre Guild (2,466 household records)
 - * Overture Center for the Arts (35,117 household records)
 - * Wisconsin Union Theater (23,013 household records)
 - * Wisconsin Youth Symphony Orchestra (520 household records)

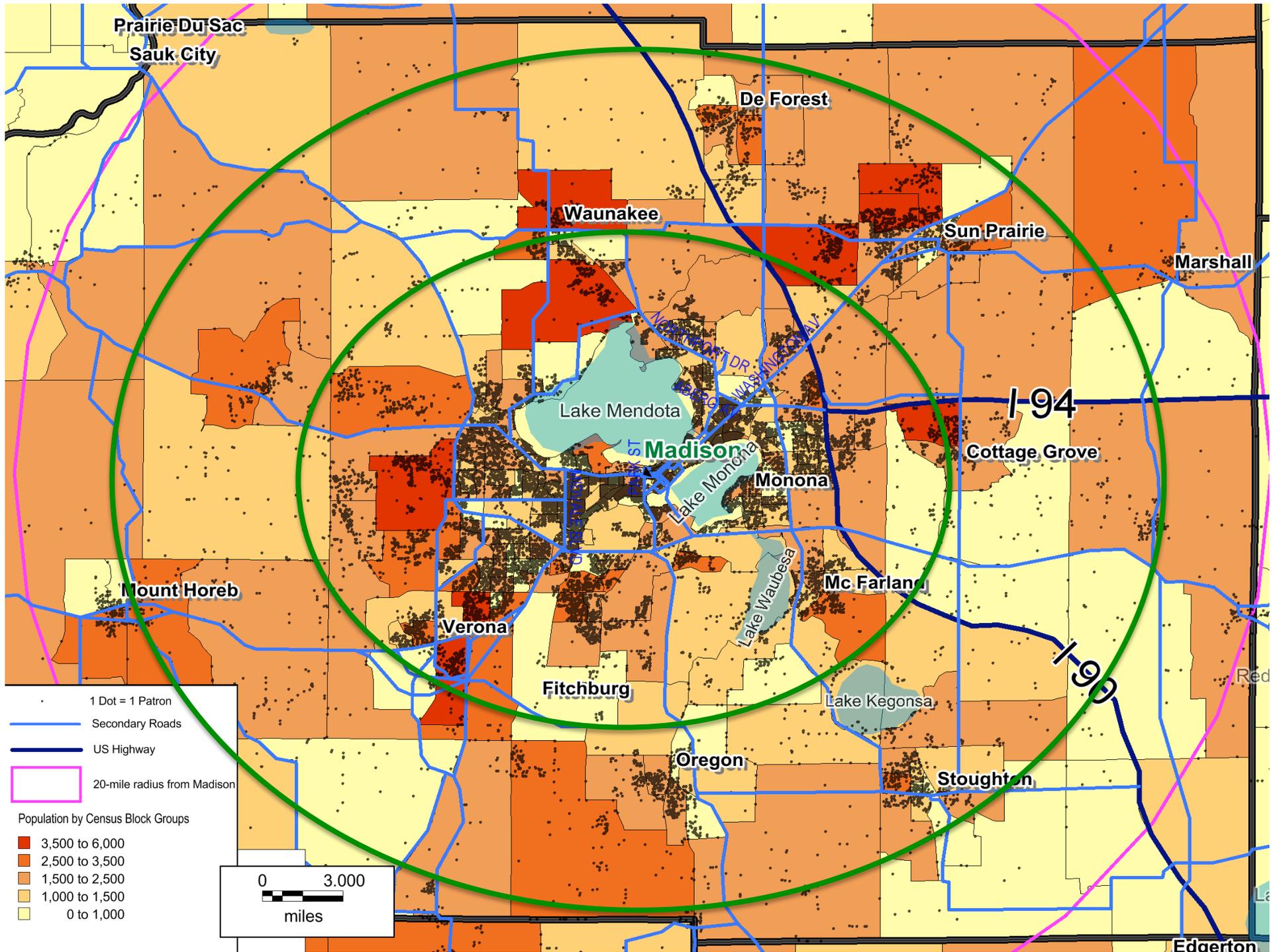


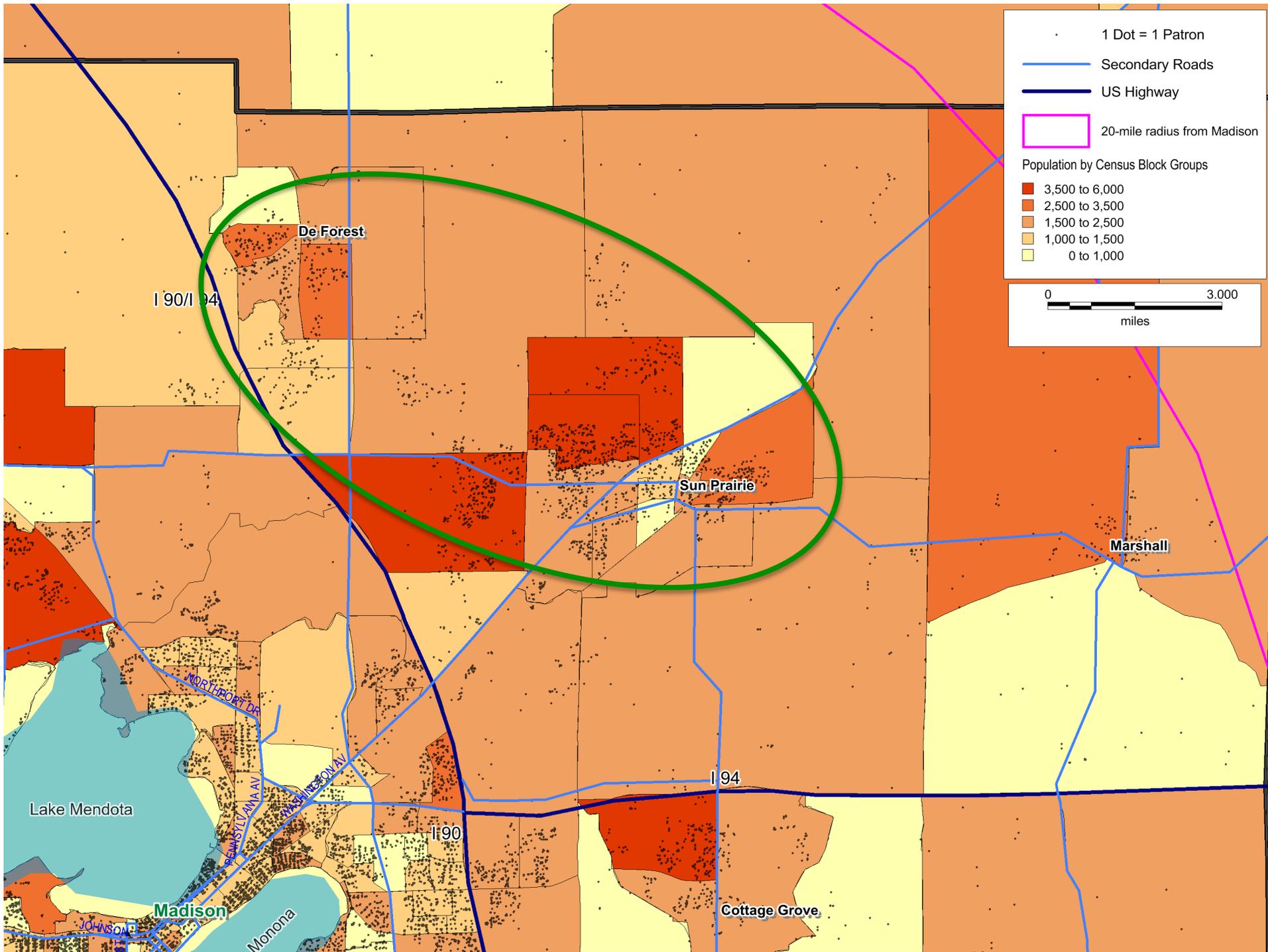
market definition

- * Lists were cleaned and consolidated
 - * Removed from file: out-of state records, non-residential records, records outside the 20-mile area
 - * A total of 45,923 households were left
- * Lists were de-duped based on a matchcode using elements of each record's last name, address, and ZIP
- * Aggregated file was appended to attach longitude and latitude coordinates to each record, as well as other geographical information









1 Dot = 1 Patron

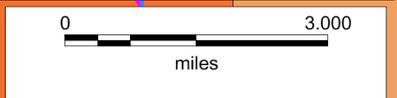
Secondary Roads

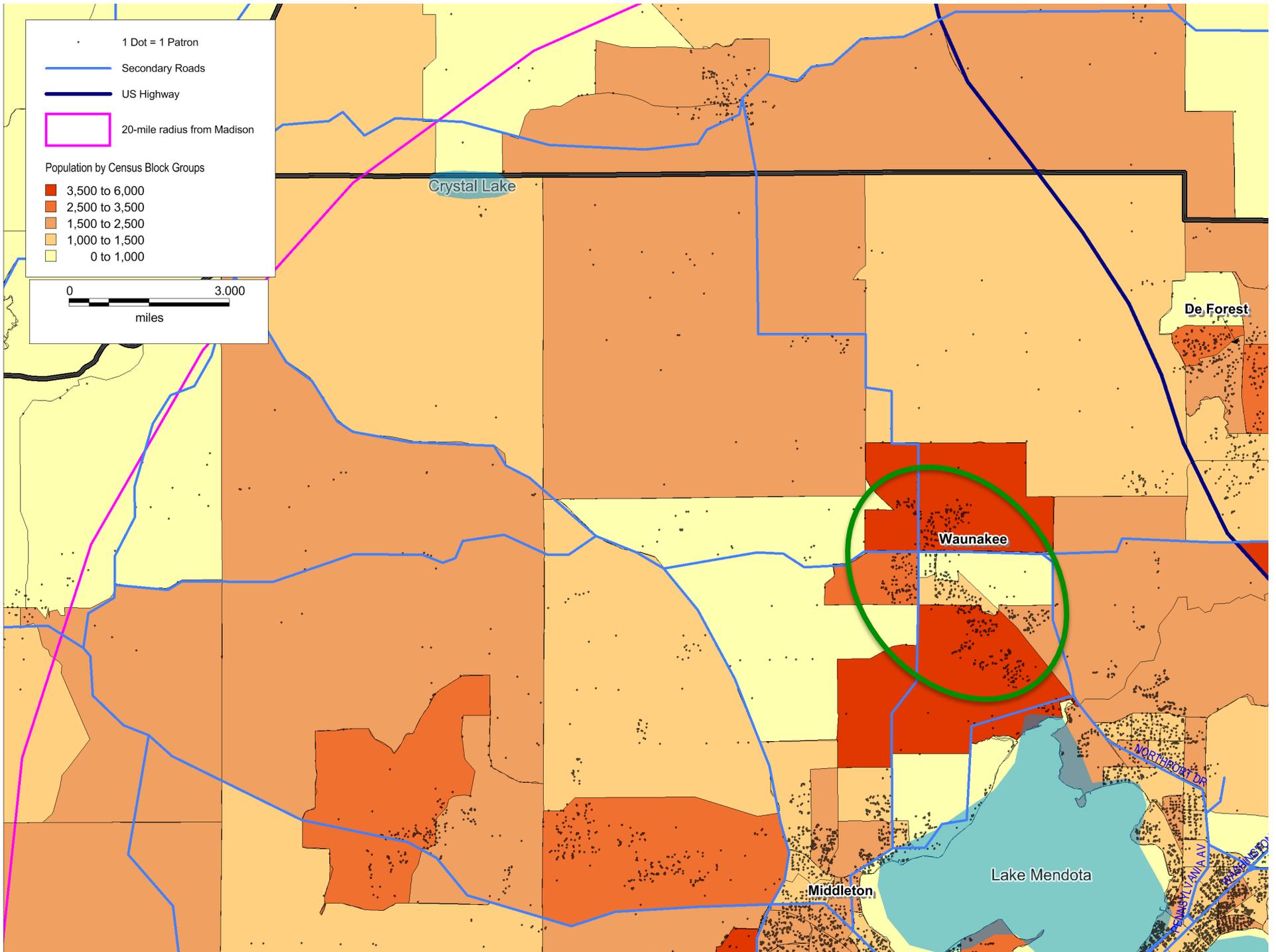
US Highway

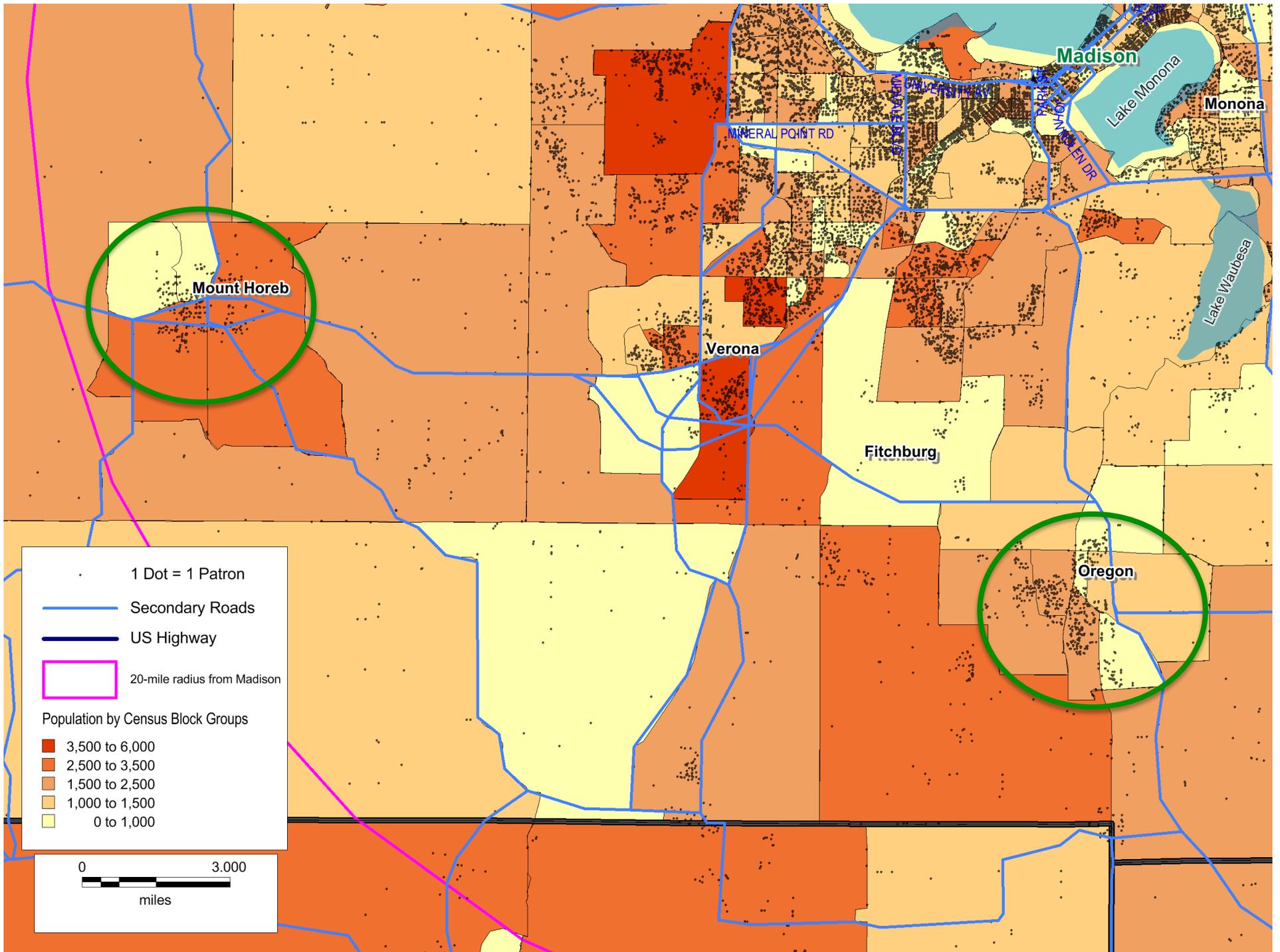
20-mile radius from Madison

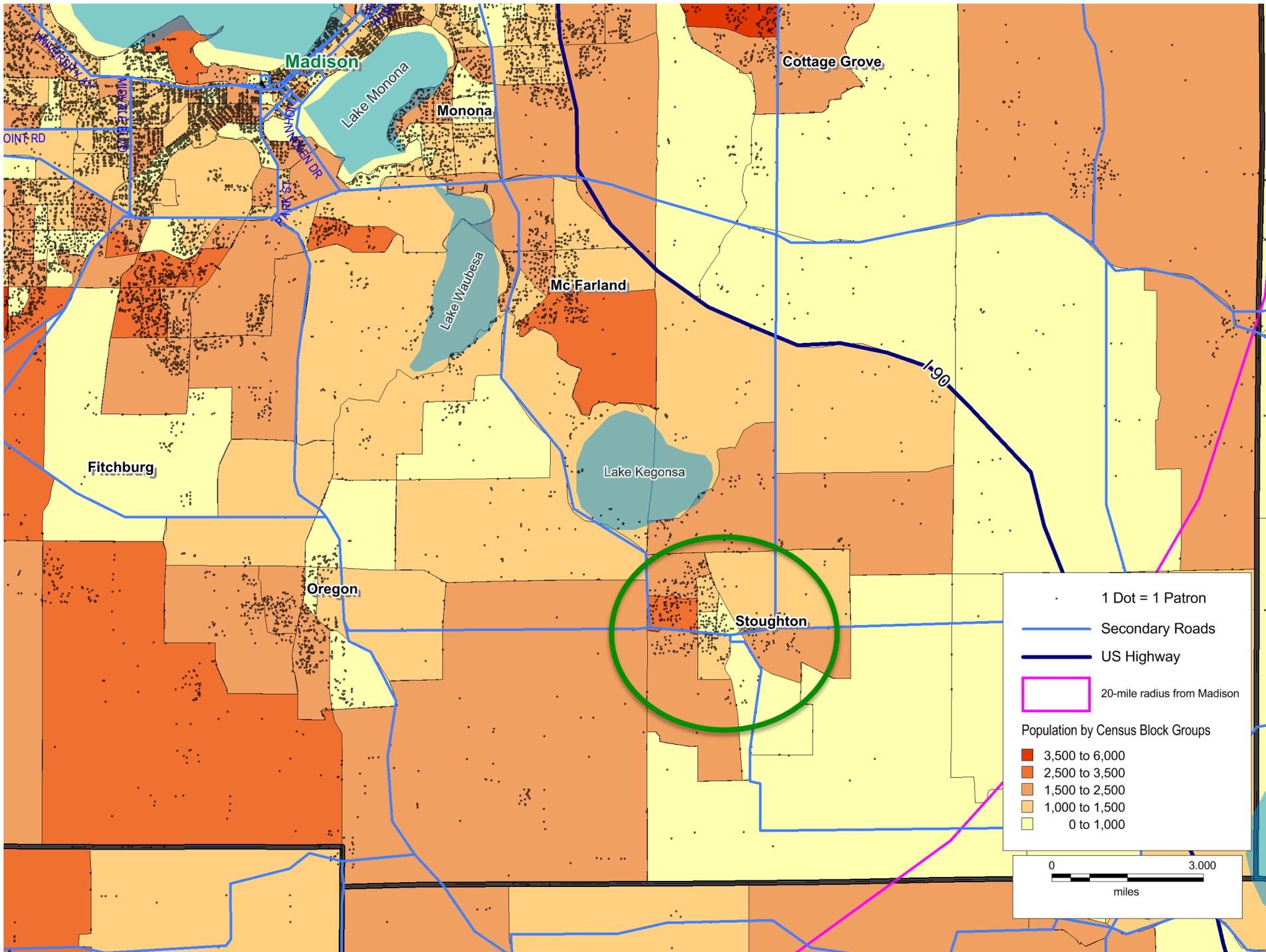
Population by Census Block Groups

- 3,500 to 6,000
- 2,500 to 3,500
- 1,500 to 2,500
- 1,000 to 1,500
- 0 to 1,000









• 1 Dot = 1 Patron
 — Secondary Roads
 — US Highway
 □ 20-mile radius from Madison
Population by Census Block Groups
 ■ 3,500 to 6,000
 ■ 2,500 to 3,500
 ■ 1,500 to 2,500
 ■ 1,000 to 1,500
 ■ 0 to 1,000



market definition - summary

- * Interesting inflow/outflow of demand:
 - * Roughly 23% of patrons on the mail lists provided to WolfBrown live outside of Dane County
 - * Roughly 22% of demand for performing arts programs is satisfied by attending programs outside of the market (e.g., Milwaukee, Chicago)
- * The Dane County/20-mile radius marketplace is “multi-nodal” or a “hub and spokes” model
 - * Numerous hubs of arts attenders are scattered around the periphery of the marketplace
 - * Suggests some level of decentralized demand, as drive time approaches 20 minutes



demand estimates

- ✦ What can we learn from the National Endowment for the Art's Survey of Public Participation in the Arts (SPPA), in terms of what demand to expect in Madison?



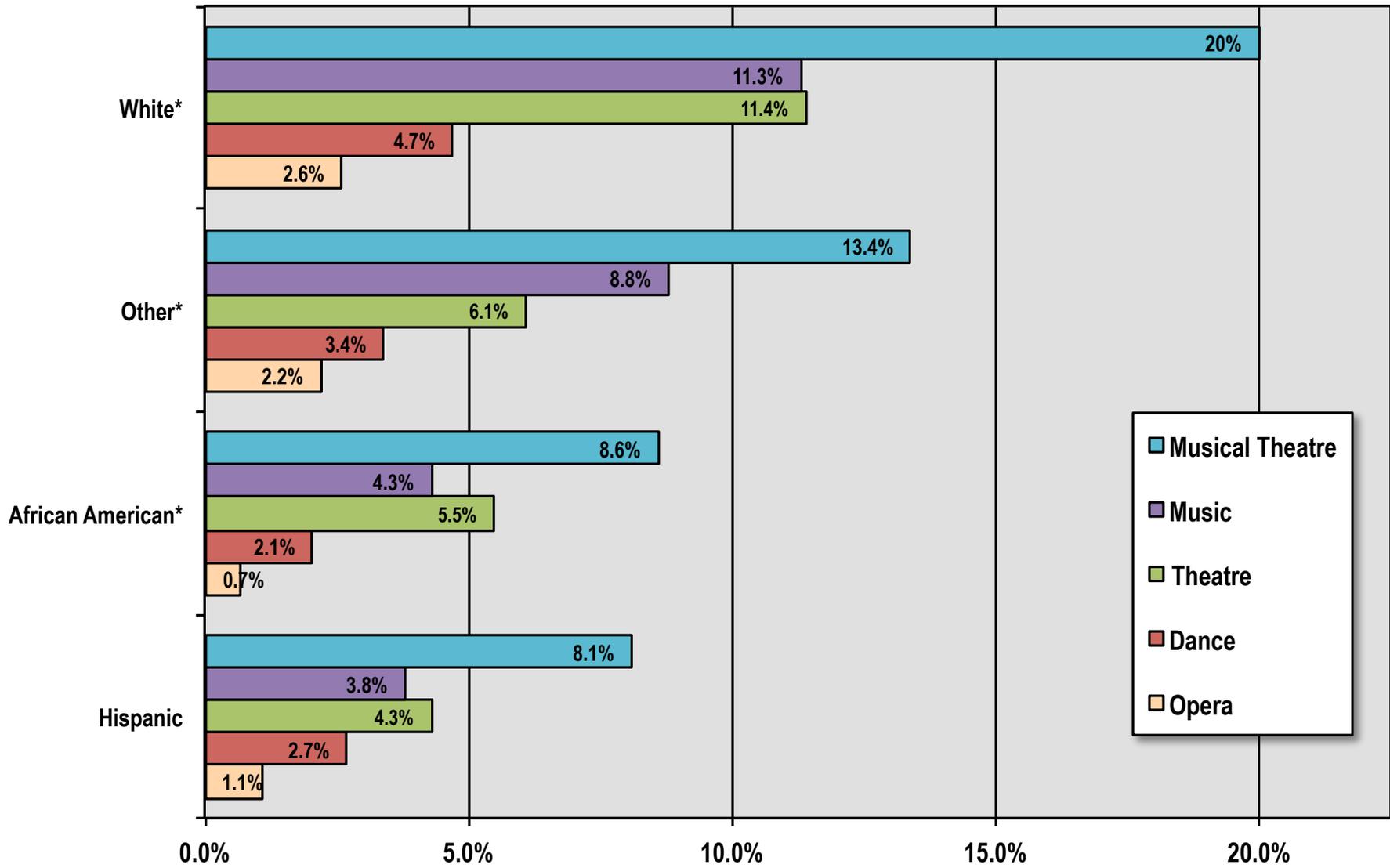
demand estimates

Interconnected drivers of demand are:

- * Cultural relevance and expected value of programs on offer
- * Educational attainment
- * Cost barriers, perceived social barriers
- * Proximity to venues
- * Other factors



2008 SPPA ARTS PARTICIPATION RATE BY DISCIPLINE, BY RACE AND ETHNICITY

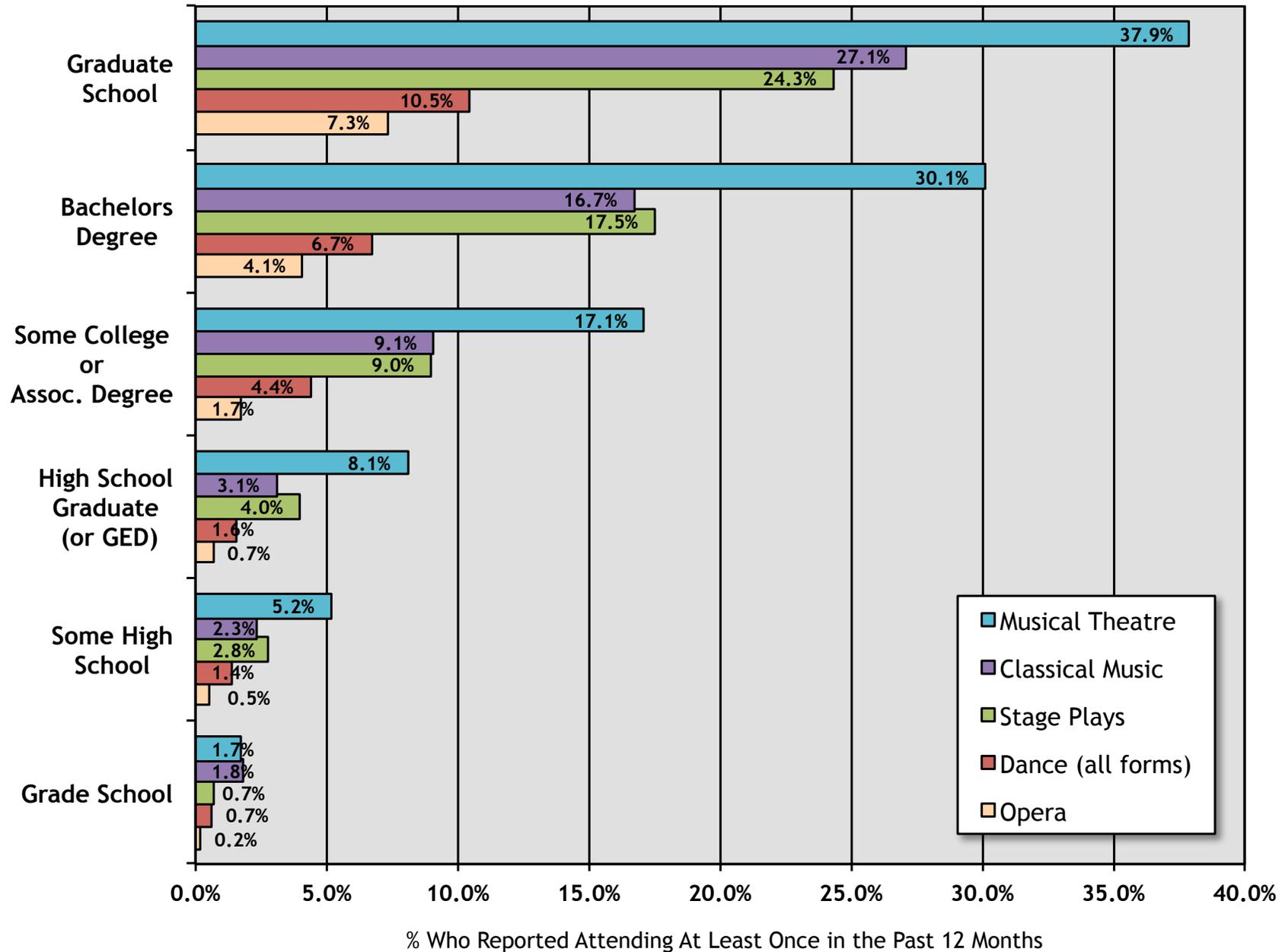


*not including Hispanic

% Who Reported Attending a Benchmark Arts Activity At Least Once in the Past Year

2008 NEA SPPA ARTS PARTICIPATION RATE BY DISCIPLINE, BY LEVEL OF EDUCATIONAL ATTAINMENT

creativity



demand estimates

- * There are 338,876 adults age 25+ in the 20-mile radius geography.
- * According to 2008 SPPA figures, 27.8% of adults would attend any of seven performing arts disciplines.
- * Thus, if Madison mirrored the nation, there would be **94,208** adult participators.



demand estimates

- * But Madison is not like the U.S. It has much higher education levels.
- * So, we need to adjust the estimated number of participators based on educational attainment
- * This adjustment, from 27.8% to 37.5%, amounts to a factor of approx. 135%
- * In other words, one would expect Madison to have levels of participation at the rate of 135% of US figures.
- * This would bring the expected number of adult participators up from 94,208 to **127,180**.



demand estimates

- * How does this square with the actual lists of ticket buyers we received?



demand estimates

- * We received ticket buyer mailing lists from 8 area arts organizations (including several of Madison's largest presenters), with a total of 45,923 unique household addresses
 - * This does not include out-of-area patrons, or walk-ups (no address captured)
 - * This is not (at all) comprehensive
- * Assuming each household represents 2.2 participators, the de-duped list would amount to ~101,306 annual participators
- * If one assumes that other arts groups' lists (i.e., those who didn't submit lists) would yield an additional 20% to 30% of unique households
- * This would increase the number of actual participators to somewhere between 145,000 and 167,000.
- * This is significantly more than the SPPA adjusted estimate of 127,180.



demand estimates - summary

- * This VERY rough analysis suggests that the Madison area marketplace is yielding an excess of demand, compared to what would be expected based on NEA figures.



comparable markets analysis

- * Objective: Assess if demand for performing arts presentations in Madison is comparable to demand in other, similar markets



selection of comparable markets



Comparable Markets Analysis: Selection Worksheet	20-Mile Radius Population	20-Mile Median Income	% Pop. Hispanic	% Pop. African American	Major University	Student Enrollment	Major Perf. Arts Facility/Presenter	Nearest Larger City	Other Characteristics
Madison, WI	508,442	\$ 60,184.00	6.5%	5.4%	Univ. of Wisconsin	42,595	Overture Center (community)	Milwaukee (80 miles); Chicago (148 miles)	State capital; winter climate
Austin, TX	1,459,040	\$ 56,289.00	33.1%	7.8%	Univ. of Texas	51,000	Texas Performing Arts/Bass Hall	San Antonio (80 miles)	State capital
Boise, ID	539,379	\$ 46,631.00	11.1%	1.2%	Boise State Univ.	22,678	Morrison Center	N/A	State capital; winter climate
Eugene, OR	332,774	\$ 40,416.00	8.4%	1.0%	Univ. of Oregon	22,000	Hult Center	Portland (110 miles)	temperate climate
Fort Collins, CO	344,154	\$ 56,025.00	11.5%	0.1%	Colorado State Univ.	22,500	Lincoln Center	Denver (65 miles)	winter climate
Lincoln, NE	313,512	\$ 50,616.00	7.0%	3.5%	Univ. of Nebraska	24,593	Lied Center for the Performing Arts	Kansas City (190 miles)	winter climate
Athens, GA	274,276	\$ 43,581.00	8.5%	16.9%	Univ. of Georgia	34,475	UGA Performing Arts Center	Atlanta (71 miles)	warm climate
Gainesville, FL	273,518	\$ 41,068.00	8.8%	20.0%	Univ. of Florida	29,500	Univ. of FL Performing Arts	Jacksonville (71 miles)	warm climate
Urbana-Champaign, IL	215,254	\$ 46,584.00	5.6%	11.9%	Univ. of Illinois	42,605	Krannert Center	Chicago (139 miles)	winter climate
Iowa City, IA	174,411	\$ 50,918.00	5.8%	4.4%	Univ. of Iowa	31,498	Hancher Auditorium	Des Moines (114 miles)	winter climate
Lawrence, KS	173,549	\$ 53,263.00	5.5%	3.5%	Univ. of Kansas	27,939	Lied Center of Kansas	Kansas City (38 miles)	winter climate



key demographic characteristics

FIGURE 6: KEY DEMOGRAPHIC INDICATORS COMPARED	Geography Definition	2013 Est. Population	% of Adults (25+) with College Degree+ (2013)	2013 Median HH Income	# of HH with Incomes > \$75K (2013)	Diversity: 2013 % Pop. Hispanic	Diversity: 2013 % Pop. African Am. (Alone)
Madison, WI	20-Mile radius	508,442	46%	\$ 60,184	81,659	6%	5%
Eugene, OR	20-Mile radius	332,774	28%	\$ 40,416	30,961	8%	1%
Boise, ID	20-Mile radius	539,379	31%	\$ 46,631	51,116	11%	1%
Austin, TX	20-Mile radius	1,458,617	42%	\$ 56,290	203,383	33%	8%

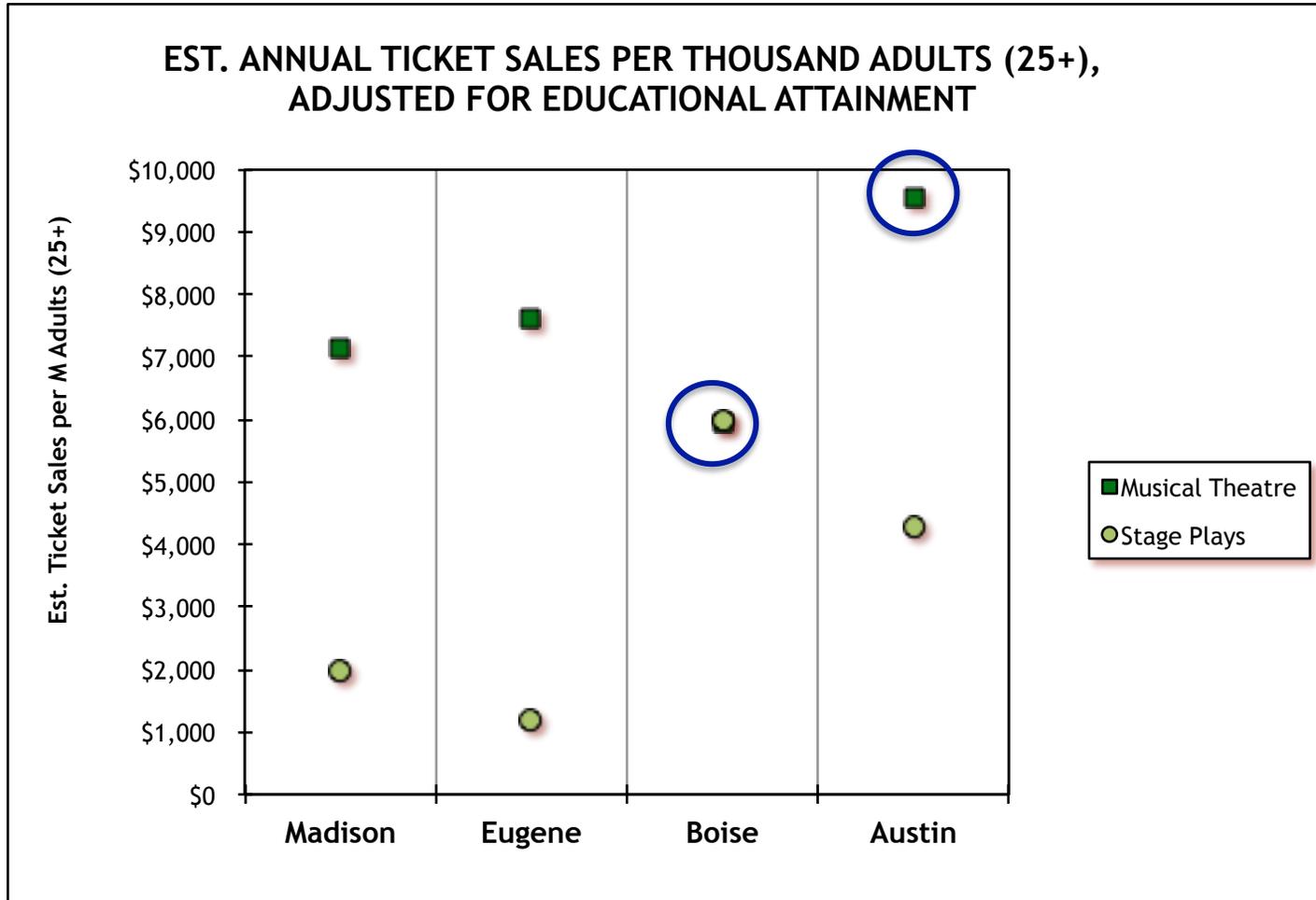


comparable markets analysis - methodology

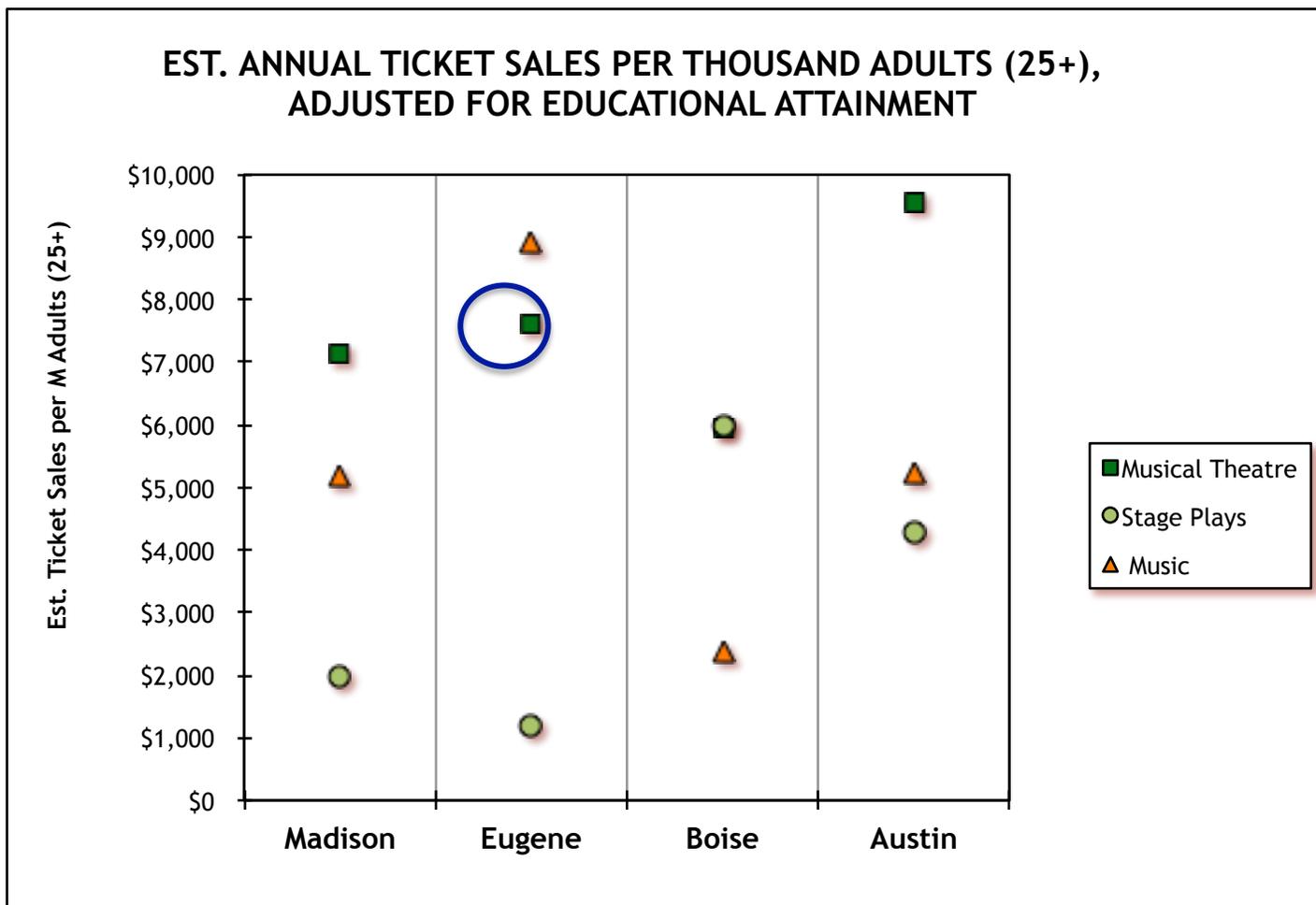
- * Methodology: Desk research on performing arts organizations in four markets
- * Data sources: IRS 990s, brochures, websites, ticket sales reports, annual reports
- * We included organizations/programs with:
 - * a discernable and measurable market share
 - * consistent programming (at least one performance a year)
 - * ticketed performances
- * We excluded organizations/programs that:
 - * Solely perform at schools, neighborhood centers, community associations, etc.
 - * Only offer free performances
 - * Are primarily educational, participatory or class-based



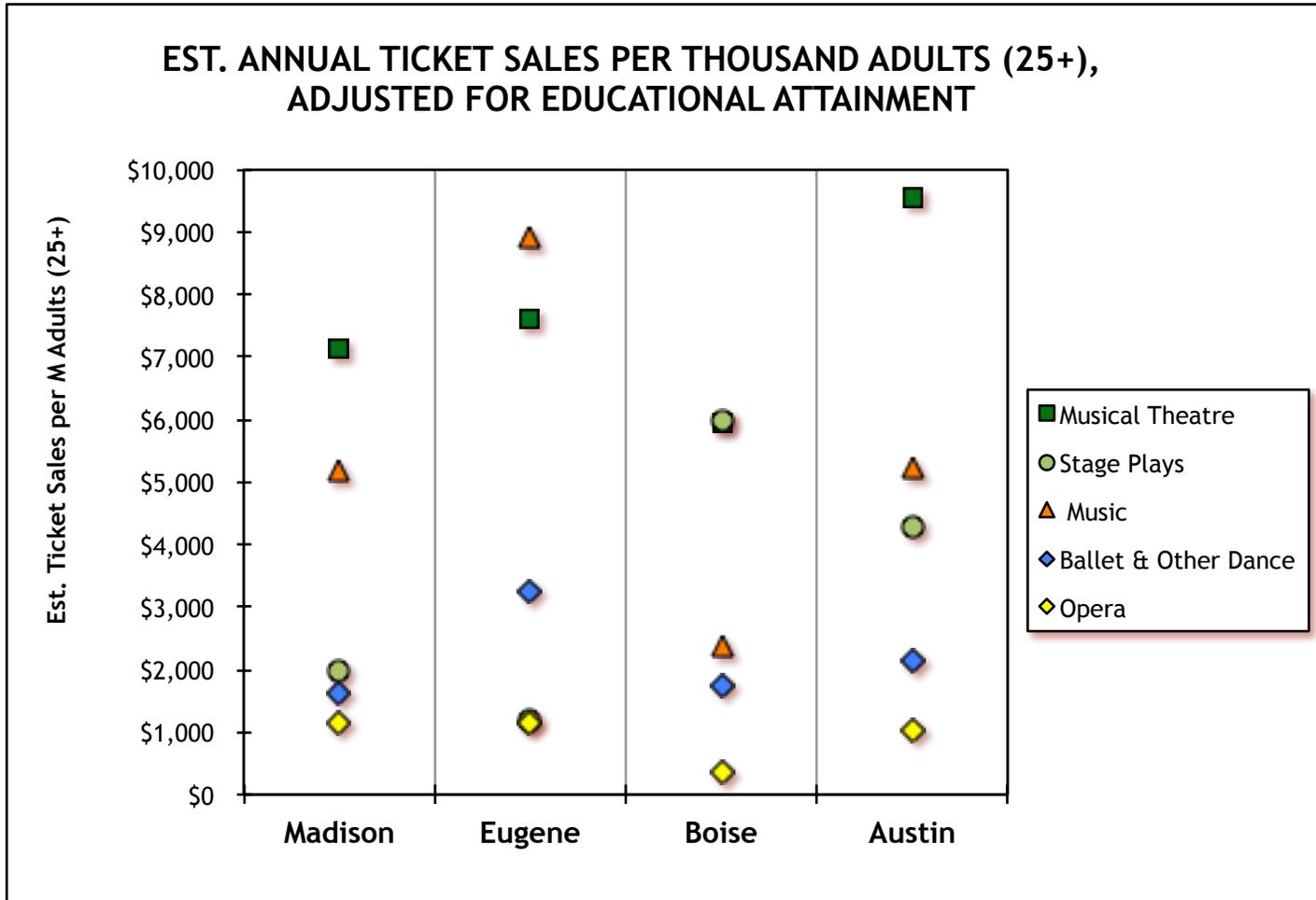
musical theatre and stage plays



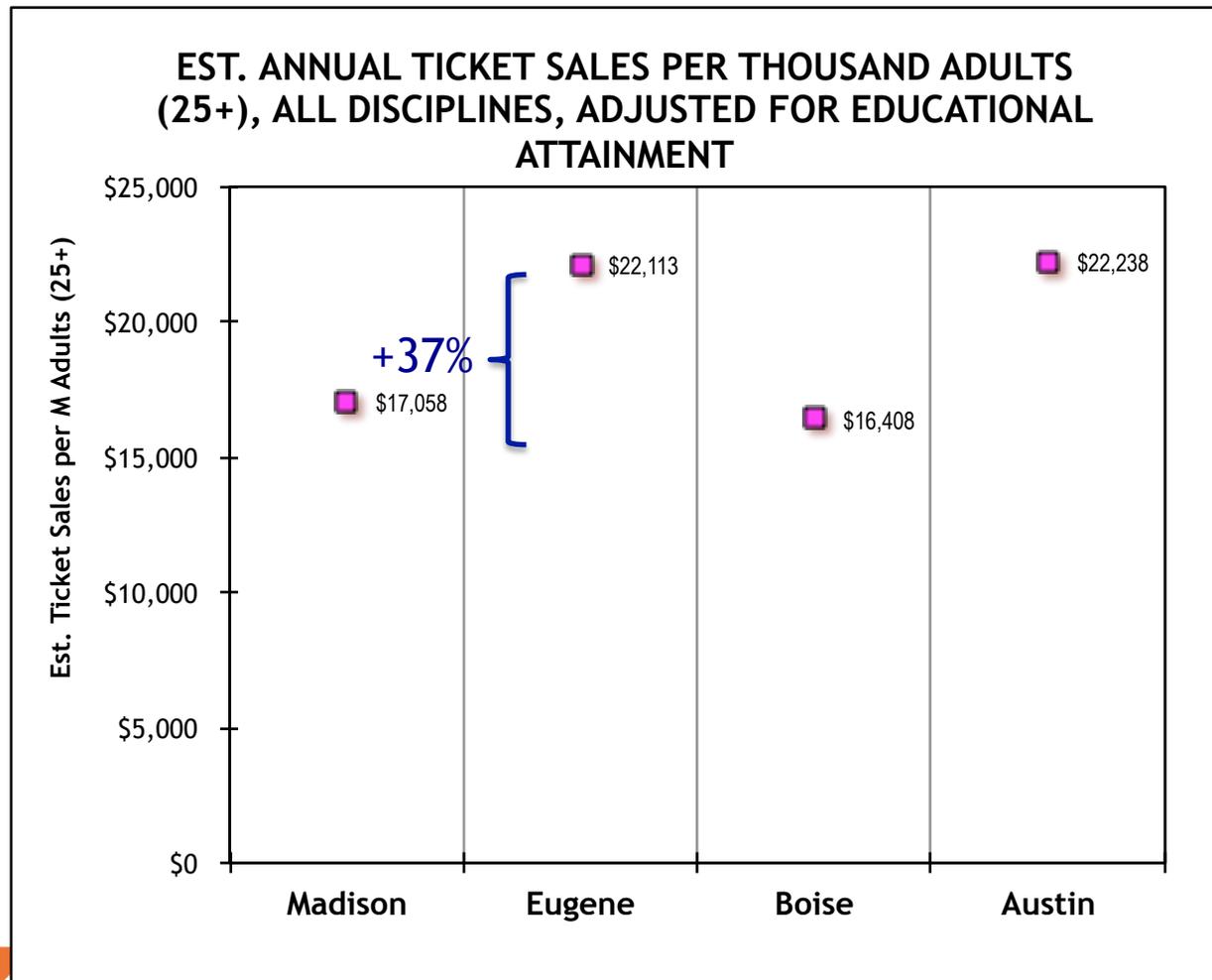
music



dance and opera



comparable markets analysis – overall demand picture



comparable markets analysis - summary

- * Demand in Madison is roughly the same as Boise, but lower than Eugene and Austin, by a factor of ~35%
- * What might explain the gap?
 - * Festivals (Oregon Bach Festival, Idaho Shakespeare Festival); attracting out of area visitors
 - * Competition (e.g., Austin)
 - * Geographical isolation (e.g., Boise)
 - * Philanthropic base
 - * A particularly strong resident ballet or opera company
 - * Large-scale free programs would act to depress paid attendance numbers in Madison (an unproved hypothesis)

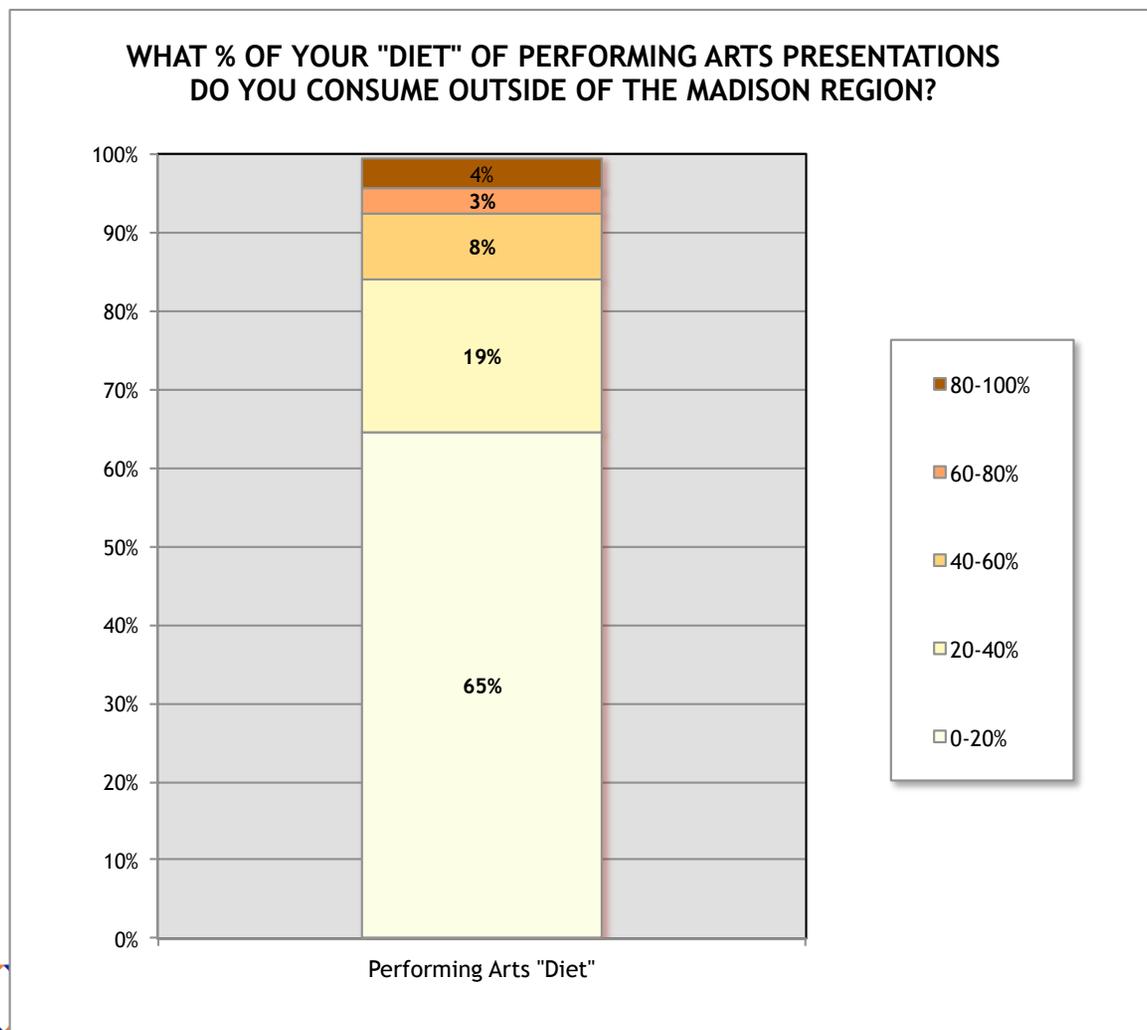


arts consumer survey

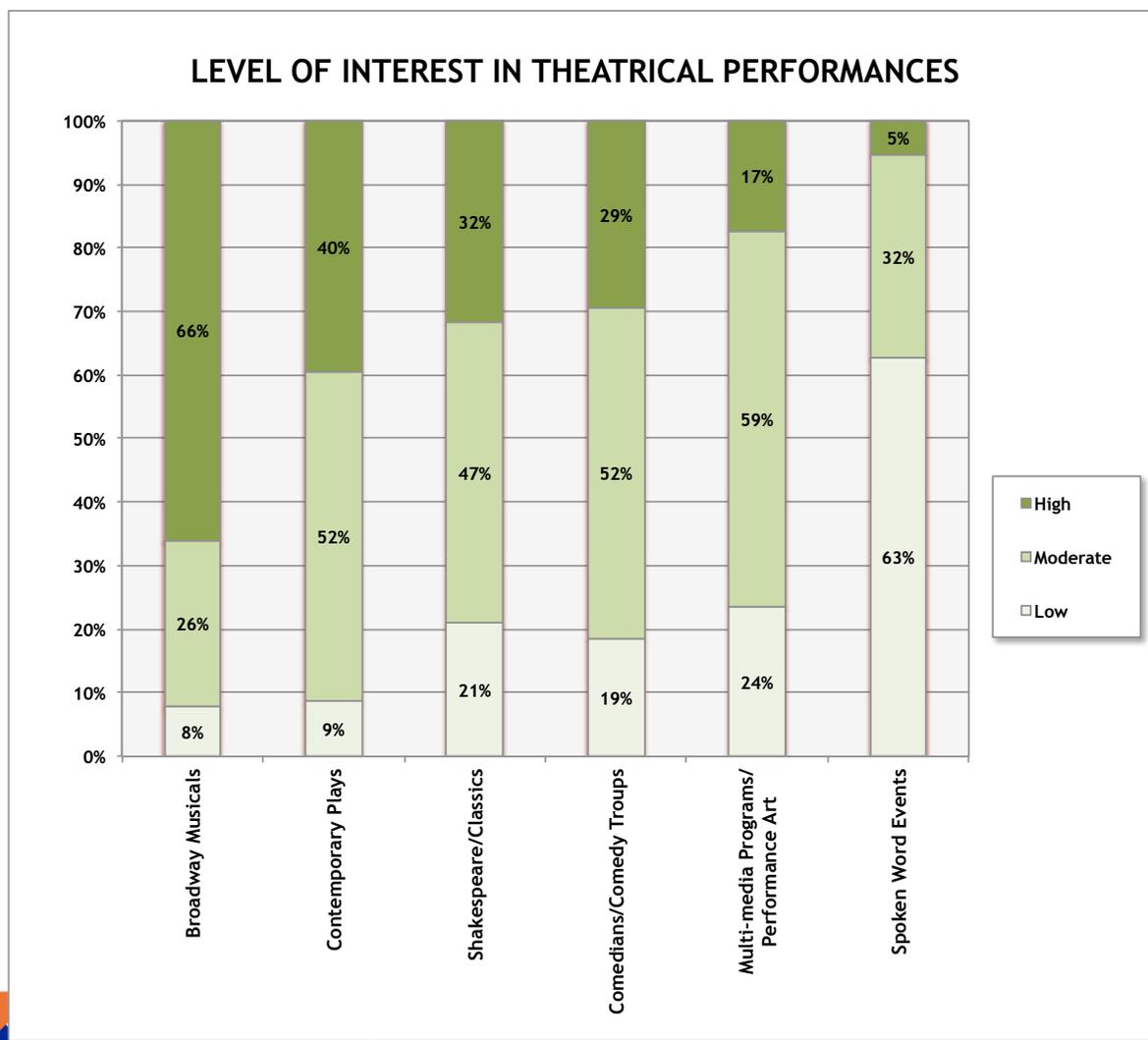
- * Designed as a non-scientific, cross-sectional survey of arts audiences
- * The survey protocol was design to measure interested in various performing arts activities, barriers to increased attendance
- * Recruitment was done through arts groups (via WMS) and through community partners (via a message from the Mayor)
 - * Thanks to all who helped out!
- * Final data set includes:
 - * 2,696 responses from arts groups' efforts (including a large email broadcast by Overture Center)
 - * 159 responses through community partners' efforts (request to cooperate from Mayor Soglin)
- * More information will be made available to the public through an interactive online dashboard



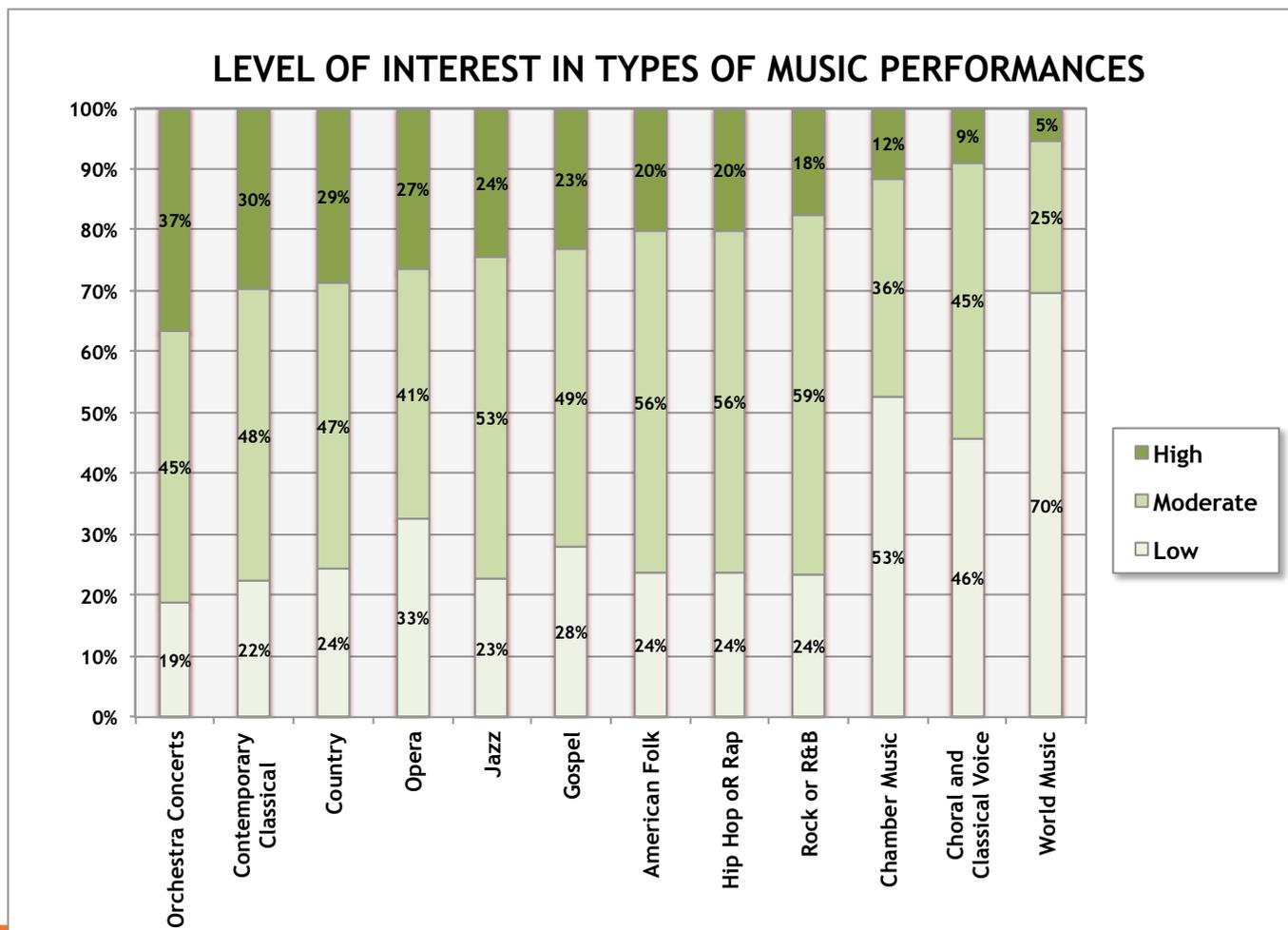
about 22% of demand exits the marketplace



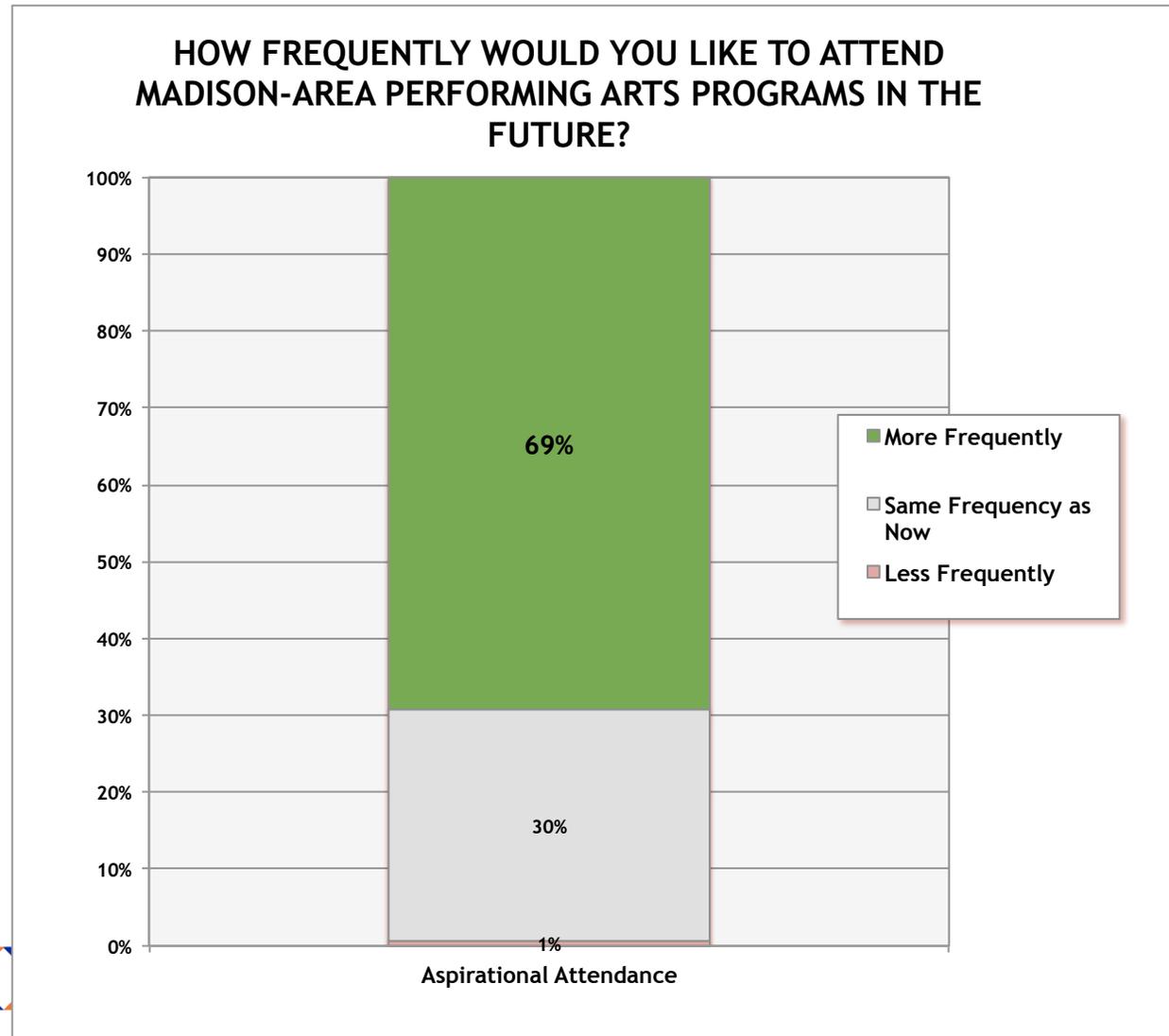
interest in Broadway musicals drives demand in the theatrical space



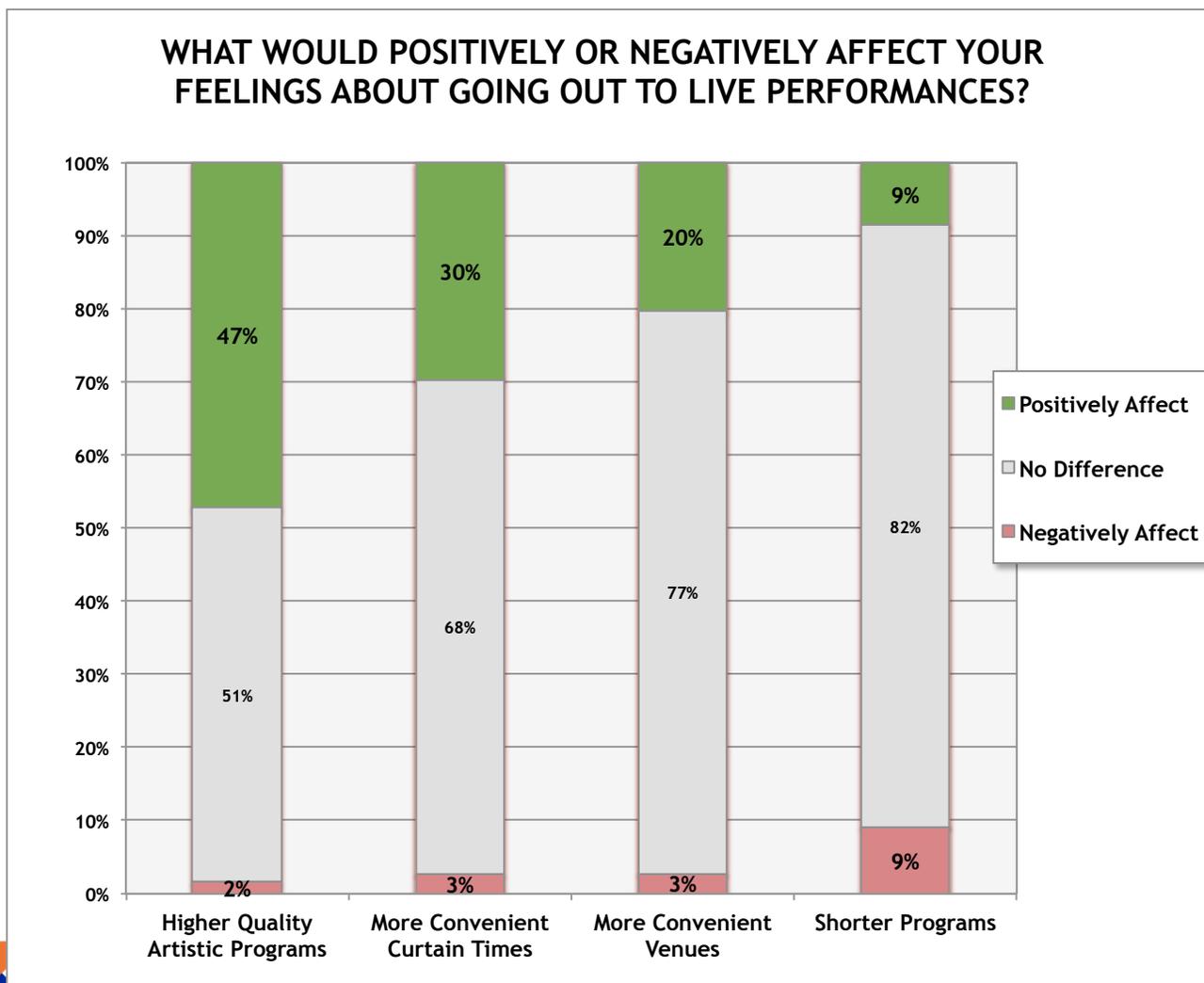
wildly eclectic musical tastes, led by orchestra concerts



seven in 10 would like to attend more often



Madison arts consumer are looking for higher quality offerings



key issues - audience/market

- * The Madison marketplace is supporting the performing arts at a reasonably high level
- * Expansion of demand is possible, perhaps up to 35%, but this would require rethinking supply and examining potential for significantly new or different programs, venues and formats
- * Investing in the core artistic capacity of Madison area artists and arts presenters is a long-term strategy for sustainability
- * Assuring that all citizens have a basic level of access to the performing arts, especially children and young adults, is a long-term strategy for sustainability

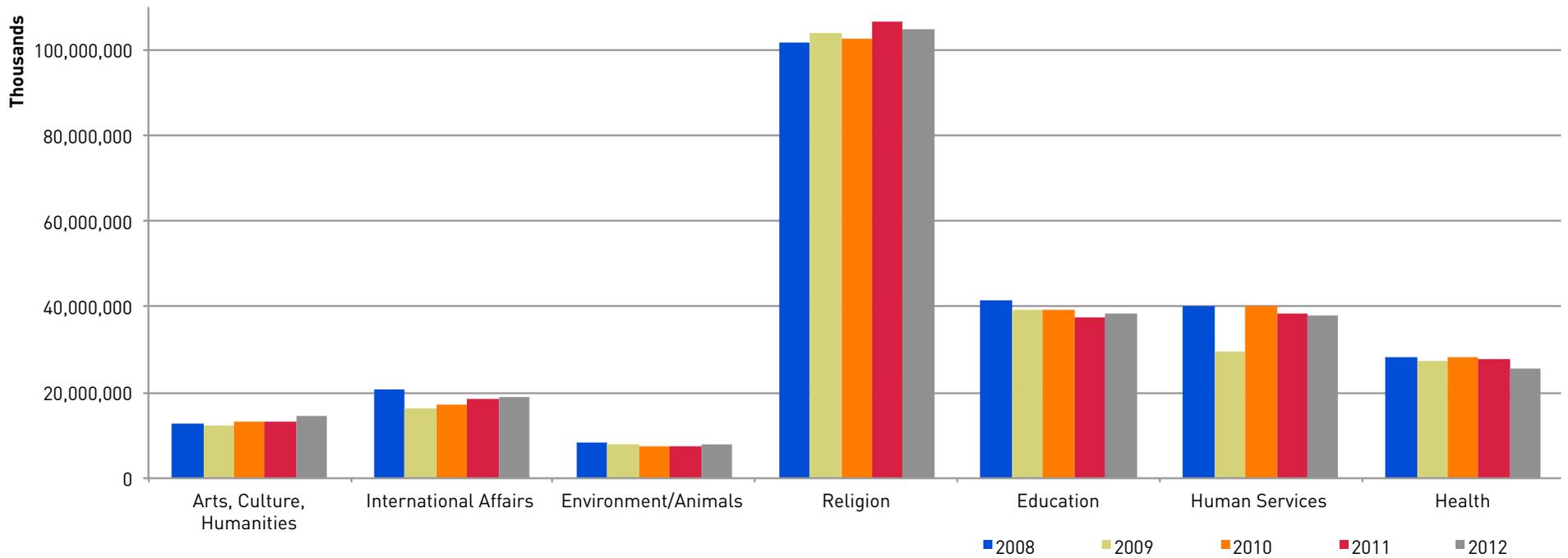


funding scenario



funding scenario + data analysis

Private Philanthropy

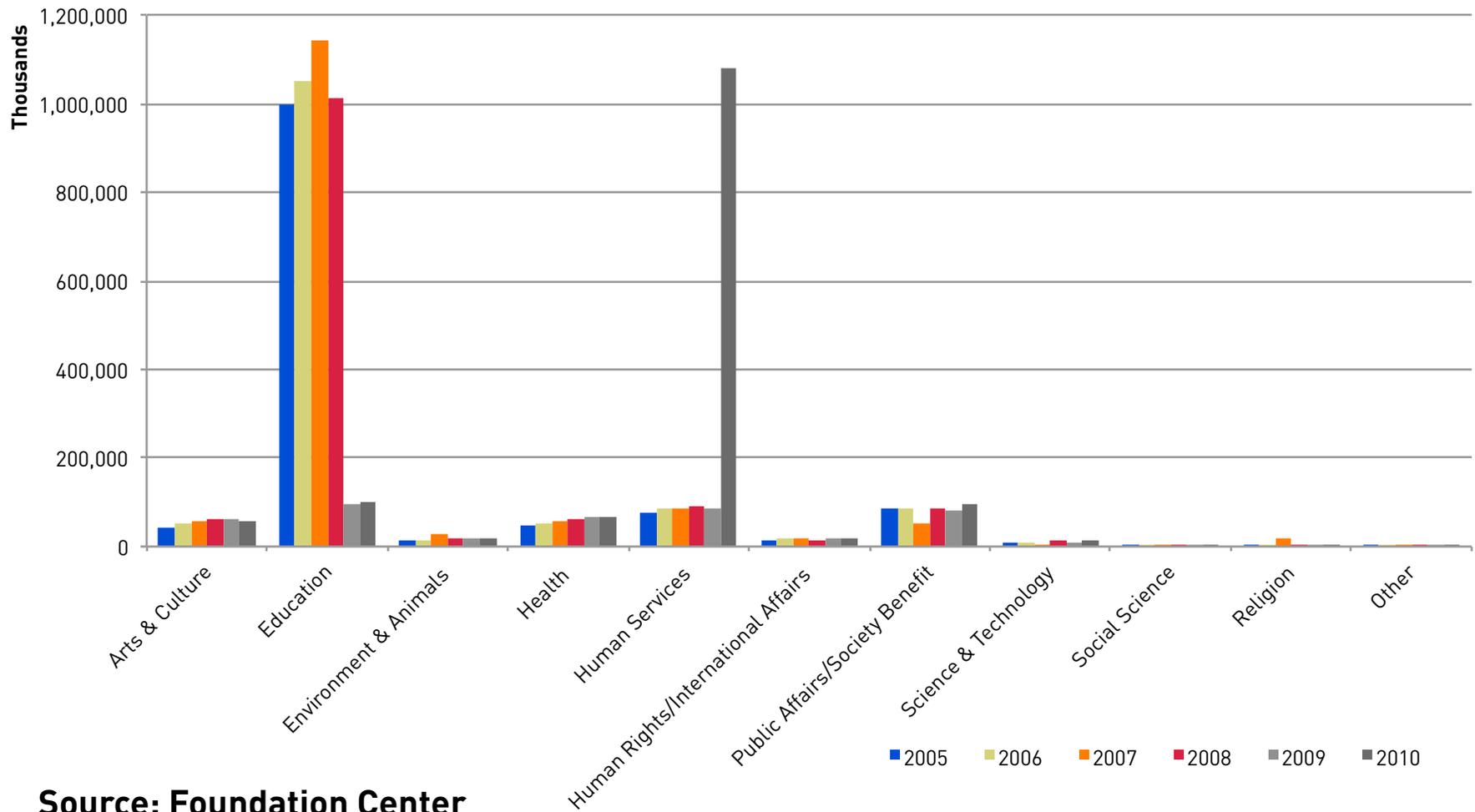


Source: Giving USA



funding scenario + data analysis

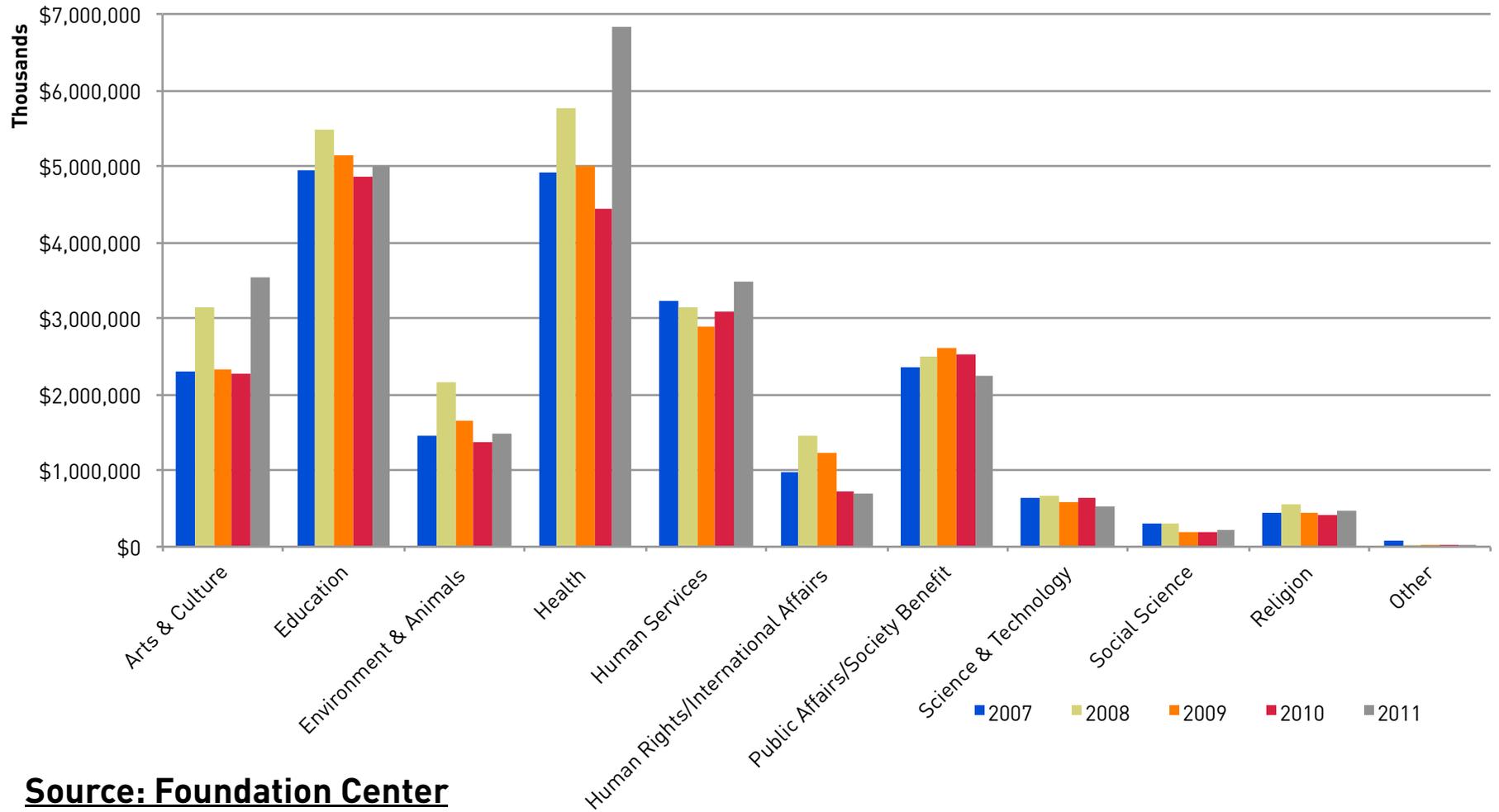
Corporate Giving



Source: Foundation Center

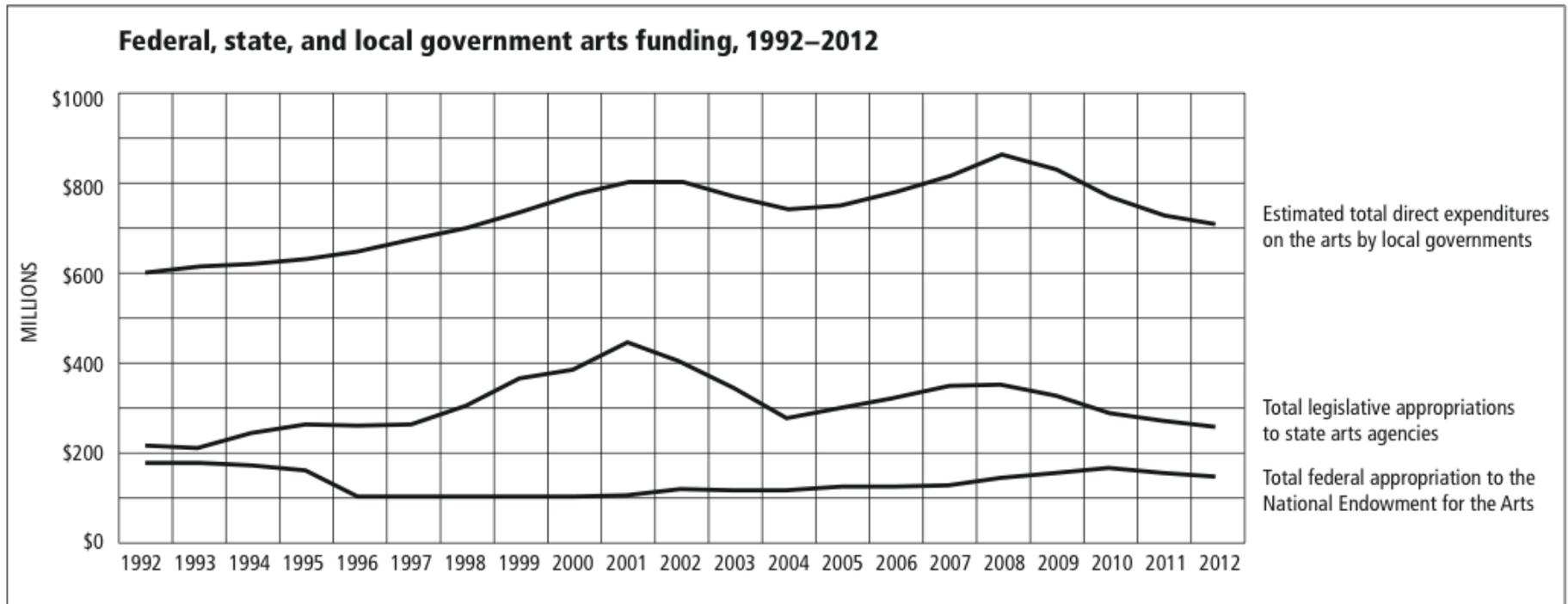
funding scenario + data analysis

Foundation Giving



Source: Foundation Center

funding scenario + data analysis



Source: Grantmakers in the Arts



funding scenario + data analysis

- * Request for data issued to 123 arts groups, received from 21
- * 3 year income breakdown detailing earned and contributed income



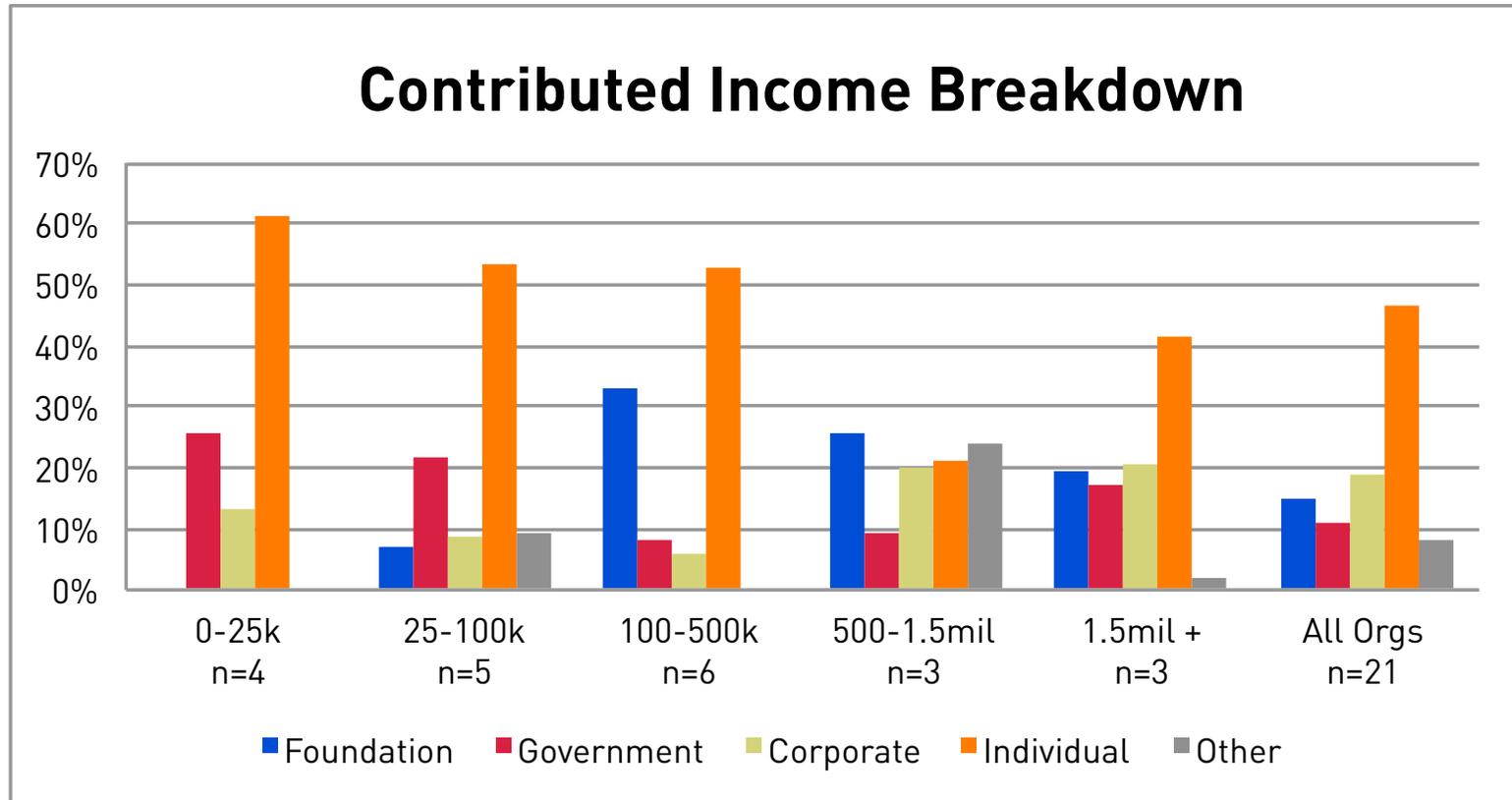
funding scenario + data analysis

Contributed Income Summary

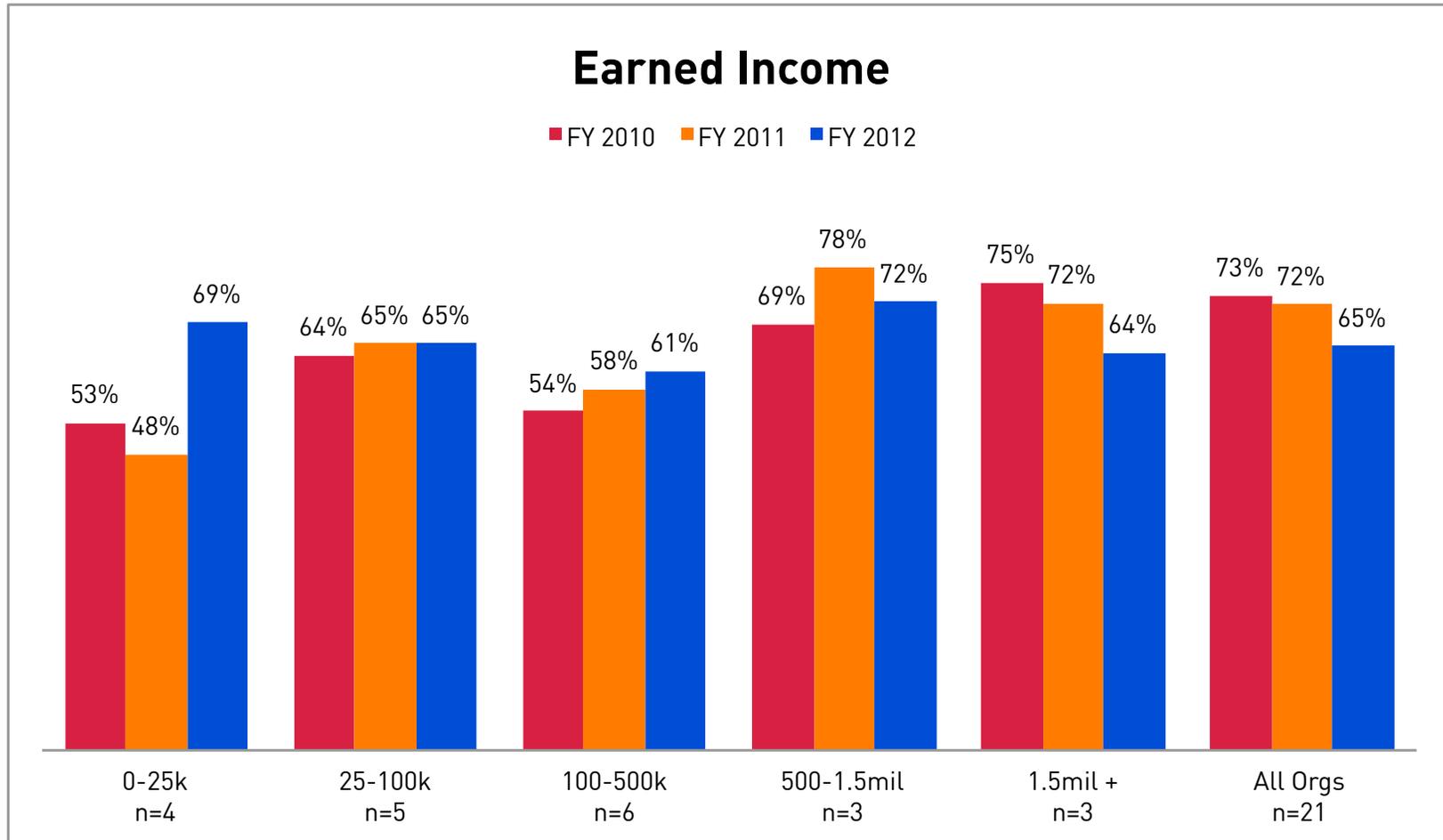
	Number of Orgs	Contributed Income	Government	Corporate	Foundation	Individual	Other
2010	20	\$6,780,322	27.14%	6.44%	15.24%	39.30%	6.85%
2011	20	\$7,533,091	14.38%	10.46%	21.99%	40.76%	8.17%
2012	21	\$8,265,658	15.08%	11.01%	19.11%	41.94%	8.12%



funding scenario + data analysis



funding scenario + data analysis



funding in comparable markets

Comparable Markets: Funding for Key Organizations + Facilities

	Madison, WI	Boise, ID	Eugene, OR	Austin, TX
Population (20-mile)	508,442	539,379	332,774	1,458,617
Median Income (20-mile)	\$49,304	\$46,631	\$40,416	\$56,290
Educational Attainment (20-mile)	45.88%	30.85%	28.09%	42.32%
Total Earned Income	\$13,742,776	\$4,518,775	\$4,538,552	\$27,948,722
Total Contributed Income	\$7,302,448	\$3,506,371	\$5,579,461	\$10,159,643
% Earned Income	65%	56%	45%	73%
% Contributed Income	35%	44%	55%	27%
Income Earned per Capita	\$27.03	\$8.38	\$13.64	\$19.16
Income Raised per Capita	\$14.36	\$6.50	\$16.77	\$6.97
Non-Government Income Raised per Capita	\$10.48	\$6.11	\$11.26	\$6.49



key funding issues

- * Local arts groups are earning and raising income on the same or higher levels than comparable organizations in similar markets
- * Funding trends mirror national trends
- * The scenario has changed over the last 10 years
- * Dynamics are still shifting
- * High reliance on individual giving, but perception that there are a few key funders



key findings



highlights

Performing Arts Community

- * Sense of optimism and productivity
- * Overture has had positive and negative impacts
- * A need to build capacity, build trust and inspire collaboration

Performing Arts Facilities

- * Lack of mid-sized space and rehearsal/support space
- * Lack of formal and well-equipped outdoor space
- * Opportunity to decentralize
- * Opportunity to better animate existing space



highlights

Performing Arts Audiences

- * Marketplace supporting the performing arts at a reasonably high level
- * Demand is exported and demand is imported
- * Expansion may be possible but this requires rethinking supply
- * Increase attendance would require “higher artistic quality”

Performing Arts Funding

- * May be reaching funding limits in the current scenario
- * Increasing reliance on individual donors—where is next gen?
- * More can be done to engage corporate sector

