



Advanced Analytics Move Centre Stage at the Royal Shakespeare Company

Theatre companies, like any other business, rely on customer loyalty for long-term success. So despite an established audience around the world, the Royal Shakespeare Company – one of the most respected and celebrated theatrical companies in the world – needed to do even better.

AT A GLANCE...

- Stratford ticket buyers up by 50% to more than 320,000.
- Regulars – the highest revenue earners – increased by more than 70 %, from 40,000 to more than 68,000.
- Stratford family shows bookers up by more than 20 %.
- London bookings sold out significantly earlier following targeted mailings.
- New and lucrative London newcomer market identified.

The challenge was to reach broader, more diverse audiences while encouraging a core of loyal customers to visit more often. The solution was to better understand its audience and use this knowledge to plan theatrical productions more accurately and target marketing efforts more effectively. And there were other potential benefits too. By selling more tickets the RSC would not only improve its box office sales, it would also be better placed to make funding appeals to its patrons and sponsors.

But there was a problem. More accustomed to recreating complex 17th century battle scenes, the RSC lacked the technology infrastructure, software and skills to perform the audience analyses and segmentation vital to creating the bold marketing plans needed. At the same time, the only source of box office information was from a basic ticketing database that offered no insights into the demographics or behavior of audience members.

Enter two new seasoned players stage left: the global management consultancy, technology services and outsourcing company Accenture and its analytics software partner KXEN.

As a multi-year corporate sponsor of the RSC, Accenture had already demonstrated its commitment to helping the theatre achieve high performance and thrive. Now it went one step further, offering to take the leading role in developing the audience analysis required to drive real customer insight, enabling improved marketing, sales and customer loyalty. And for its analytics guest star Accenture chose long-term partner KXEN, the two having worked successfully side by side on similar projects before. The scene was set for an epic performance.

Arts and Business Join Forces

Accenture's skilled CRM and marketing analytics team was deployed to help the RSC be as successful at the box office as it was on stage. According to Mark Foster, Accenture group Chief Executive, Management Consulting and Integrated Markets and former RSC Governor: *"The relationship was an opportunity for the best of business and the arts to join together."*

Accenture's first job was to profile the theatre company's current and potential audiences with the results leading to a marketing strategy for audiences in both Stratford-upon-Avon and London.

The Accenture team loaded more than seven years' worth of ticket-buying data – including the names addresses, performances attended and prices paid of some two million patron visits – into systems at the company's Customer Insight Center in Milan. Using technology from another partner – Teradata – Accenture then created a new audience database that could be easily and quickly segmented by customer behavior.

Accenture then turned to KXEN, provider of advanced data mining and analysis tools, to comb through the large volume of RSC data and identify specific audience segments and patterns of attendance behavior.

The KXEN-powered analysis revealed some valuable information: of eight distinct audience segments attending Stratford and six attending London, only four of the Stratford segments made a significant number of return visits. These four groups included regular customers booking four or more times a year and accounting for 59% of the RSC's income; semi-regular customers attending an average of 1.8 performances in the last four years; Internet customers; and those who booked only for family show.

“The beauty of KXEN is that the segmentation falls out of the data naturally. It is far more insightful than us taking a guess at what might work. Now we know what will work and we can plan campaigns with real confidence.”

Mary Butlin, RSC Head of Market Planning



Production photograph of Chuk Iwuji as Henry VI by Ellie Kurtz

“KXEN is unique in the ease with which it handles large numbers of variables and this feature has enabled the RSC team to easily fine-tune the segmentation process”, says Mary Butlin, Head of Market Planning at the RSC. “We now apply some 50 variables and the results have been informative, in some instances surprising and in many cases very powerful. For example, we asked how far in advance people book for a production and found that a large segment contains people who like to forward-plan and buy tickets many months beforehand. Clearly, it is pointless marketing to this segment just weeks before a production and we now know the optimum time to engage them.”

The segmentation exercise also allowed the RSC to begin targeting those four groups with the most relevant offers. For example, attendees of family shows were shown not to buy tickets for the much more frequent Shakespeare productions. “We skimmed the top off of that segment – those that attended once a year and brought a large group of people with them – and created a marketing campaign to attract them to a particularly accessible Shakespeare production. We chose *A Midsummer Night’s Dream*; it was a visually engaging, funny and accessible production so ideal for our Family Show segment. It was also getting great reviews and we reasoned that the combination ought to be irresistible – and it was. The result is that over two years we have turned 1,000 people into regular Shakespeare play attendees. Each one brings on average three other people with them.”

But the work did not stop there. More recently Accenture has helped the RSC to develop propensity models for attendance at the company’s new temporary Courtyard Theatre in Stratford-upon-Avon, helping maintain and build audiences while the theatre’s permanent theatre spaces are being refurbished.

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Results

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According to Butlin: *“Our direct mail strategy for the last London Season only took about 45 minutes to plan. The audiences to target were so clear cut and we could even tell from the analysis exactly when to communicate with different groups to maximise response. As well as the campaign planning being much faster and more fact based, it is easier to predict the likely response, even in London which is notoriously difficult.”*

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About the RSC

Since its founding more than a century ago, the Royal Shakespeare Company (RSC) has grown to become one of the United Kingdom’s national theatre companies and one of the most respected and celebrated theatrical companies in the world. As a company dedicated to keeping alive the spirit of William Shakespeare, while also staging classics and modern works, the RSC operates on an impressive scale. Over the past decade, it has staged 171 new productions, delivered 19,000 performances, sold 11 million tickets and traveled from its home in Stratford-upon-Avon (Shakespeare’s birthplace) to 150 towns and cities around the world. In fiscal year 2006, the RSC had more than 700 employees and reported total income of approximately US\$60 million (£32 million).

About KXEN

KXEN, The Data Mining Automation Company™ delivers next-generation Customer Lifecycle Analytics to enterprises that depend on analytics as a competitive advantage. KXEN’s Data Mining Automation Solution drives significant

improvements in customer acquisition, retention, cross-sell and risk applications. Our solution integrates predictive analytics into strategic business processes, allowing our customers to drive greater value into their business.

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