Interactive Marketing and the Broadway Experience

Olivia Pasquinelli
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Olivia Pasquinelli  
Arts Management  
Senior  
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Professor Paul Sturm  
Adjunct Faculty, IU School of Public & Environmental Affairs  
Associate Director for Development & Marketing, IU Art Museum  
Faculty Mentor

When it comes to how you are going to create a marketing plan, there are an endless number of ideas out there to embrace. Some of them have been used the same way since the idea of marketing began, but others have adapted with our changing technology and have opened up new possibilities and outlets for us to reach our target customer base. One of these new marketing areas is the idea of interactive marketing, where the customer has a stake in the company and participation in the messaging through specific marketing efforts that allow interaction. In this format, customers begin to feel as though they are crucial to the success of the company or product. This is an extremely powerful connection to create, one that we will explore further.

There are many companies that already incorporate a lot of interactive marketing initiatives. However, when looking into the Musical Theatre industry, there seems to be a lack of this growing trend. In my thesis project, I will research the range of possibilities of interactive marketing and document who is doing it, how well it is being done, and how this can be adapted for application in marketing campaigns for musical theatre companies. I also plan to interview a number of musical theatre organizations as I take a deeper look into their marketing initiatives, as well as interviews with those who already use interactive marketing in order to explore how they define it, what makes it successful, and how to embrace it.

Through the research I collect, I will explore the true effectiveness of interactive marketing tools and how they are being used – and can be used – for Broadway and other musical theatre organizations.
Introduction

Our world is changing. No longer are the telephone and mail the only ways to communicate. Today, technology has found its way into every part of our lives, allowing for constant connection. Along with this change, marketing is also adapting. We have begun to see a change in traditional marketing techniques and a shift more towards interactive. The Internet is one of these very powerful technological tools that have created a platform for this change. Not only are online advertising campaigns cheaper and make it easier to measure reach, but they also open new doors for companies to explore. Interactive marketing takes advantage of the platform the Internet provides, in order to have new conversations with customers.

However, it is easy to get confused on what the core purpose of interactive marketing is and why it is such a powerful concept. There are many different definitions of interactive marketing. Some believe that it simply means using the Internet to promote a product or service, while others believe that it means creating a digital video that can be put onto YouTube or Facebook. However, interactive marketing is more than that, it is about having a conversation and learning about your customer in order to shape your product or experience to reach them on a more profound level. Interactivity can be confused with all things Internet, but the Internet is just one of the tools that can be utilized to interact with
customers in this way. A different view of this concept is through the lens of engagement and interaction, one definition describes that, “Interactive marketing is based on a simple, powerful concept: that the best way to attract customers is to establish a dialogue with them” (Interactive Online Marketing 101). One of the ways that many businesses are entering these conversations are by using the power of social networking sites to have a dialogue with customers, which has become a requirement in order for them to compete. However, some are finding different ways to converse that are also yielding more value than traditional media is able to accomplish.

Interactive marketing can range from holding an outside attention-grabbing performance where people are encouraged to tweet about their experience, to following and talking to a character from a company on their Facebook page. But why can interactive marketing be more effective than other forms of marketing? Why has this trend been growing and has been viewed as the future of marketing? It all has to do with our need for engagement and interaction.

People enjoy being part of something and seeing that their thoughts and actions make a difference. Throughout history, people have gravitated towards social settings where there is an opportunity for dialogue in order to understand and voice opinions. In looking at the example of U.S. presidential elections, we can see that since the very beginning, people gathered in town meetings to discuss the politics around the candidates, ask questions, and share opinions. These town meeting settings have proven to be extremely affective, as evidenced by the fact that we still use them today (Town Meeting). In the most recent election, the presidential candidates gathered in a live, televised “town meeting.” Here, people of the general public that were present could ask their own questions of the
candidate and get replies immediately. They also incorporated more technology, where those who were not present could become involved by submitting questions online and have the opportunity to have them answered. After the conclusion, the audience had another opportunity to get involved; they were asked to answer the survey question of who they believe won the debate (Presidential Debates 2008). Having this setting for the debate allowed for people to take an active roll in questioning their potential future leaders and even people as old as 78 found their way to the internet to participate. When immediate feedback is shown, people tend to respond extremely well and a powerful connection is created.

Another modern example of interactivity and engagement being a huge success is seen from the hit TV show, American Idol. In its first season, 2002, American Idol introduced voting over the phone. This was a new concept, which had been started in the UK and was being tested here. The response was amazing. Viewers were shown the process of narrowing down thousands of contestants to the final 24 that would be voted on by actual viewers. Each week, the contestants would sing and afterward, a number would appear at the bottom of the screen for a viewer to call in order to cast a vote for that contestant. Viewers were now able to talk to the show through their votes and in turn, American Idol would listen and respond through using those votes to decide who stays and
who goes. There were talent shows before American Idol, but never an opportunity for the audience to affect the outcome of who will stay and who will be sent home. In the first year 110 million votes were cast. The show progressively gained popularity and by 2005, it was the biggest show in the U.S., a title that it held for seven straight years. By the 10th season 750 million votes had been cast during the season. A major factor in its success was the ability for the fans to participate and connect with the show and the contestants on another level. In the second season, viewers were able to text in their vote in addition to calling. This was in a time where texting was a very new idea. In that first season of its use, 7.5 million texts were sent to cast votes, which quickly grew to 178 million during season 8. American Idol saw the opportunity to use the technology that was quickly gaining extreme popularity and use it to engage customers in their show. It was a time where everyone was starting to have their own cell phones and were beginning to understand the ease and convenience of texting. American Idol gave them a way to use these new circumstances and interact like they never had before, but not only that; American Idol gave them a way to be heard (American Idol). For the first time the audience had a voice and the show listened, and evidenced by the success of the show and the response from the fans, this was the key.

As the Internet evolves, it is becoming the new place for social interaction and is powerful modern evidence of the people’s need for engagement and interaction. 55% of Americans use the Internet every day and spend about 60 hours a month purely using the Internet. The majority of time is spent viewing content, followed by other uses such as email, commerce, and searching, with the remaining 22% is spent on social networking sites (Huffington Post). The Internet is a window into a world larger than our own. From
commenting on Facebook pages to online shopping, the Internet is a tool for us to have a discussion and find the information we are looking for. Many marketers understand the simple principle that word-of-mouth is the most powerful marketing they can get. The internet has amplified the power of this principle to a new level. The recent Local Consumer Review Survey (2012), showed a growing trend from online consumers; not only are they using the internet to talk about products and services they have tried, but people are trusting them. The study showed that 72% of consumers surveyed said that they trust online reviews as much as they would a recommendation from a friend. There are no longer any lines. People are looking to the Internet for a place to voice their opinions and receive answers.

In looking at these few examples of our craving for engagement, it is obvious that interactive marketing simply can’t be ignored and now is the time to truly step into the conversation. Never before has it been so easy start up a dialogue with your customers and in receive value in return.

**Definition**

Interactive marketing deepens the engagement with customers through its dialogue. It is about having a conversation with your audience and customers and using it to learn about them. Douglas Karr, an interactive marketing expert, explains it as “…the evolution of marketing where the consumer is empowered, entrusted, and recruited to aid in strategy…no longer do we have absolute control over our message or brand. We share that control with the consumer. That consumer, albeit a happy customer or an angry one, is going to utilize tools such as the Internet to tell his/her friends about their experience with
your product or service” (Karr). It is a very powerful concept that can add value to a marketing strategy and through it, an organization can considerably expand their reach and build stronger customer loyalty. In the broadest sense, interactive marketing can be broken down into social media, mobile marketing, display advertising, and email marketing (Boland). It also can branch into use of their website, search, and other tools. Consumers are getting more comfortable with these elements and are beginning to set higher standard for them. Customer’s want business to personalize their experience, remember their history together, and learn about their preferences and interests. In return, customers will repay them with feedback and more knowledge about how to keep their loyalty (Interactive Marketing).

One of the modern examples of this conversation being adapted with technology is that ability for businesses to remember every move you make on their website. Amazon.com was one of the first to do this and are still leaps ahead of many companies in starting this conversation. Consumers come to their website telling it what they are looking for in the search; Amazon.com then takes that information and replies back with suggestions for other products they may be interested in. Although this service is controlled by a formula based on what shoppers look at, it is a way for Amazon.com to learn about them and connect back, in turn expanding their experience. It is a similar effect as a salesperson would have on a customer, through asking what they are
looking for and immediately being able to make suggestions that will lead them in the right direction. They also provide a service where customers can pre-order products and receive reminders when it is in stock. This gives the company a good idea of the amount of demand for the product as well as linking the customer to the site and building loyalty.

Broadway is an ideal industry to be incorporating interactive marketing. Their community is built on passion, involvement, and deep interest in the art. However, many productions struggle with seeing the importance of stepping past traditional marketing. Broadway shows are expensive products and unlike some other commercial businesses, there is a deep focus and attention on the product, which squeezes marketing budgets to their minimum. However, because of the community characteristics and expensive product, interactive marketing can surpass traditional marketing efforts in effectiveness by involving the community and even selling tickets if done the right way. There are wide ranges of possibilities in this area of marketing that are starting to be explored for Broadway, but they have not fully embraced.

**Context**

Americans are exposed to 30,000 advertisements a day. With a traditional marketing approach, many times clutter is fought with more clutter. This is to try to make the brand as visible as possible in as many outlets as available. Interactive marketing and engagement
have a different approach. When you engage in a conversation with your customers, you get more from your efforts. Instead of having a widespread campaign forcing clutter on your potential customers, engaging in conversation creates a meaningful relationship that your customers will spread throughout their network (Benckenstein). It is a way to reach customers on a deeper level and make a unique, customized connection.

Since the technological environment is changing, there are new ways for marketers to reach customers. Marketers are beginning to shift their efforts to these new platforms in order to see higher returns on their investments. Budgets are no longer focusing on traditional approaches, as they are proving to be less effective than ever before. Now, companies are planning to spend the majority of their budgets on social media, online advertising, and website development. This goes hand-in-hand with interactive marketing and even reflects the growing trend. Interactive marketing is beginning to expand and become a major factor in marketing plans. Companies are beginning to place high value on these new areas of technology, which allow them to reach customers in new ways.

However, aside from being able to converse with customers on a new level, interactive marketing also has other positive consequences, which explains some of the reasons why this is starting to be very accepted commercially. According to Michelle Renee from Small Business, it leads to increased sales conversions, lower overhead expenses,
audience engagement, social networking sharing, and feedback, all of which are extremely important for an organization. The increased sales conversions come from creating a connection with a consumer on a level where they are enticed to buy. This can be seen through the efforts of a makeover at a cosmetic sales counter. When a woman goes to a department store cosmetic section or a specialized cosmetic store, they have the opportunity to have their makeup done by one of the trained sales staff using that specific makeup brand. During the makeover, the customer and makeup artist ask each other questions and try out the products. Through this interaction and dialogue, a connection is made. Many times this ends in a sale since it brings the customer into a position to make an immediate decision on the products they are using. It creates a greater sense of urgency than if they were just walking by and browsing the product options. When people feel a higher sense of urgency, they are going to act faster and commit sooner if they feel it is something they are interested in and feel good about (Trubow).

For some types of interactive marketing, such as those using the Internet, lower overhead expenses are incurred. This comes from decreasing on-site expenses such as staffing and other related costs when online tools are utilized, as in online ticket purchasing availability. From there companies can gather high quantities of customer information, create an easy experience for them, cut down on staffing, and provide a reason visit the website and purchase. This can be the case when interactive elements are set up on Facebook pages. They don't take very much to set up, and once they are completed they can thrive on their own as people become more involved, leading to it being more self-sufficient.
Audience engagement is also a huge positive aspect that comes from interactive marketing. One way to achieve this is through creating fun ways for customers to interact with the brand and website. Some companies do this through games, contests, characters, and twitter powered. Not only do these elements need to engage the consumer, but they also must give back to them in order to complete the conversation. When they are executed the correct way and the customers are not only entertained, but have connected with the company and received value from it, they are then going to support them, whether that be purchasing or spreading the word.

Social network sharing refers to making it easy and available for customers to share their interaction with the organization through twitter, Facebook, or other social outlets. This is a large focus for a lot of companies, because of how easy and effective it is; it isn’t always used in the most impactful way, but has become the norm for companies to strive for. An example of trying to connect all of these elements together is contests/sweepstakes. A lot of contests now require you to “like” their Facebook page as part of your entrance as well as interacting with their wall. When done well, there is also a response back from the page owners that lets the consumer know that they are being heard. This then connects contestants to their page from that point on and also alerts their friends that they have entered and are connected to that organization. When people have a positive experience with the page, such as the direct response, they feel more accepting of future interactions with the company and feel connected, rather than annoyed.

Aside from creating unique ways to start a conversation about companies on social networking sites, companies also use Facebook, Twitter, YouTube, and other social sites as a main way to advertise and reach their customer base. In understanding whether
marketing efforts are effective, feedback is crucial. Interactive marketing, mainly social networks and other interactive platforms, return immediate feedback. This is very powerful for a company to have, since finding a way to measure the results of your marketing efforts can be extremely difficult, if not impossible depending on form used (Renee). Also, when creating a dialogue, the feedback is more complete, unlike other ways to receive feedback, such as questionnaires or surveys. It is a similar idea as the principle that focus groups are based on. They are able to open a company’s eyes to something that they didn’t see before.

Direct mail emails, Facebook, and Twitter are a very basic level of interactive marketing. Many companies only scratch the surface of the possibilities of these platforms. Today, almost every organization has a mailing list, Facebook page, and Twitter account. The email is usually personalized with the customer’s name, and updates them on new events or promotions. Facebook pages are usually used to provide basic information about the company, show a few pictures, and for employees to post relevant comments. Twitter is usually used as a regurgitation of the information posted to Facebook and more often than not can lead to irritation of followers. These tools can do so much more.

Facebook can be more than just a place to reveal the same information as their company website, it can be a place for customers to talk to the company. Allstate Insurance Company has done an excellent job amplifying their Facebook presence by intertwining their print and advertising with Facebook. They have created a character called “Mayhem,” who embodies all of the reasons why you need protection through
insurance. This character originated on commercials and has quickly evolved into a public figure. He has his own Facebook page, which has been “liked” by over 1.2 million people and posted about by over 37,000 people. Every day, people write on his wall commenting about how they ran into him that day, sometimes it is a car accident and others, a roof caving in. Mayhem also posts on his page and responds to people in character. Having this adds a lot to Allstate’s marketing campaign and makes the customers want to join into the conversation. Not only are the commercials funny and memorable, but the character itself has taken on this new life. He is asking questions of customers and creating a place where they can share their problems. In turn, Allstate can take this information they receive from their customers and use it in their campaigns or build new insurance plans based around the needs voiced by their customers (Mayhem – Wall – Facebook). Allstate also recently acquired Esurance and have done the reverse by bringing Facebook into their television ads. Their ads ask “What makes a company trustworthy?” They suggest that it is what their customers have to say about them. The commercials show what people are writing about their company on their page and use it as a humanization of Facebook, showing people that Esurance’s customers feel so strongly about the service provided by the company that they are talking about it on the site, while also receiving responses back (About Trendwatching.com). Esurance will even thank people for joining and posting on their walls. These are two great examples of
both effective use of Facebook and a campaign where interactivity is immersed in multiple layers of their marketing. Also, when users interact with the company page, measurement of effectiveness becomes more possible.

Twitter can also be much more powerful than companies allow it to be. AXE understands that and is doing something very unique with twitter. They are creating a graphic novel where users write the story through twitter. It is real time and those who suggest storylines are also put into the story and tagged as characters. People are becoming involved and invested in the story and the brand as it goes along. There are also some effective uses of twitter seen in the arts, which we will look at later. As twitter continues to grow, so do the possibilities for this platform.

One of the great aspects of companies using Facebook and Twitter is that people are already using them to interact with their friends and have a dialogue, which is the goal of interactive marketing. Aiding people to use company pages the same way they would interact with their friends can have some very powerful impacts on a company in the loyalty and connection consumers feel with them.

Although social networks and internet tools can be great for interactive marketing, some companies have been using these techniques for a long time without them and have been very successful. Look at the way the car industry is set up. A customer walks into the building and is greeted by a salesman. The salesman and the consumer have a dialogue where questions are asked both ways and suggestions are made. Once narrowed down, the consumer goes for a test drive where through a conversation. During this period, the salesman can learn in more detail what he is looking for, as well as his likes and dislikes. Whether this ends in a sale that day or not, a valuable interaction for both customer and
company occurred. The customer was able to test out the product and learn from the salesman, while the salesman learned all about the customer, which he can document for the company to use as well as being able to better serve customers with that knowledge.

Another excellent example of non-internet interactive marketing is from Butterball Turkey Company. Butterball understands the true meaning of interactive marketing and they have been utilizing it since 1981. That was the first year that they opened their Butterball Turkey Talk-Line. This six operator call line, received calls from 11,000 Americans and answered any question they had about how to cook their Thanksgiving turkey. They were ahead of the curve in being one of the first national, toll free consumer help lines, and were not only helping people with cooking their Thanksgiving Turkey, but they were also strengthening their brand through the interaction. From 1981 to 2005 calls increase from 11,000 calls a year to over 100,000 each year with 50 staff members. When people call in, they received immediate answers, but the company received answers as well. They learned about their customers and were able to adapt to their needs. In 1991, they realized that their had been a 53% growth of Latino population calling in, in speaking with them they were able to incorporate more Latin flavors into the traditional thanksgiving foods and soon after adjusted to adding Spanish-speaking operators to serve this large, quickly growing demographic. Through these calls they also realized that the percentage of calls from men
between 1986 and 2003 had almost doubled, meaning that they were becoming more involved in the process. Both of these instances helps Butterball know their customer base even better, which helps them to be a better company and increase their profits through targeting the right customers, even when trends are quickly changing. As evidenced by the growth of this initiative, it is obvious that this has been very successful for the company (The Butterball Turkey Talk-Line On Call and On Trend For 25 Years).

There is a lesson to be learned with these examples; although our marketing environment is changing, the power of a dialogue between customer and company cannot be ignored.

**The Arts**

The arts are different than general commercial business. It is extremely important to see that the arts are a leisure product, since it has different characteristics. These must be known and understood in order to properly market to customers. Colbert describes the arts and its consumers by three characteristics: “Willing and able to spend time pursuing consumption,” “Consumption of the leisure goods is first and foremost ‘experimental’, meaning that the product can be assessed only at the moment of consumption,” and “leisure goods are targeted at the hedonistic and affective aspects of consumption, as opposed to utilitarian dimension” (Colbert).

The fact that this group needs to take extra time in order to seek out the arts they are interested in, shows that they need to be properly motivated to do so. Colbert talks about this in his book “Marketing Culture and the Arts.” He explains that as marketers to these target demographics we cannot forget that they need to be strongly motivated to buy
a product or they will not consider buying it. This can come in the form of effective advertising or beginning the conversation with consumers on the specific art presentation.

Since the arts are experimental, it is a risk every time, consumers don’t know what to expect and each audience or fan is going to experience it differently. There are a variety of risks that a consumer will face when deciding whether or not to consume an arts product. There are Functional risks (meaning that the product may not meet consumer expectations), Economic risk (“the more expensive the product, the more complicated the decision-making process”), Psychological risk (when consumption of the product is not aligned with the consumers self image), and Social Risk (associated with the images that others have on the consumer). Because of this, “the riskier the purchase or use of the product, the greater the consumer’s involvement” (Colbert). If marketers can convince consumers to take on these risks, the rewards are very high.

The arts are also based around pleasure and emotion, rather than practicality such as the day-to-day products we consume. The more involvement one has in the arts and the importance they apply to it, the more they will consume. This is a powerful aspect of the arts that is a great advantage for marketers as well as a challenge. They must go beyond showcasing the product and target the emotions of consumers instead.

Another important aspect is that the arts create a community around themselves. One that is tight-nit and people want to share their thought and opinions about the art. Whether it be for photography, music, opera, symphony, painting or theater, each has a community that seeks it out and has a passion for it. The arts are all about passion and community. Customers are searching for a connection and to be enriched through immersing themselves in the art they enjoy. This community seeks out great art and is
looking to be surrounded by it. They have strong relationship with the product and feel very connected and drawn towards it. The arts community is also all about people. There is such a thing as “arts for arts sake,” but to share the art is where power comes from, and people are the fuel. Many artists understand the importance of followers and fans and are able to tap into that. Because of this, some very successful uses of interactive marketing have helped the arts thrive.

Kickstarter.com is a tool that supports interactive marketing for many different projects and organizations. Although it is not only for the arts, they make up a large portion of the projects looking for funding, which makes this an important example to look at. Kickstarter.com is a website where people can raise money for projects they are looking to complete. In posting a project, each person sets a financial goal, gifts for levels of giving, and creates an attention-grabbing page explaining their project. From there people search for projects they find interesting, believe in, and want to succeed. Once they find one, they donate money to the project and become backers. Backers are acknowledged on the page and can write comments to the project owner. One of the most important parts of the idea is that the money only goes to the project if the financial goal is reached. This creates a sense of urgency for the project owner to reach out to people through as many mediums as possible and organically spread the word. Also, with each level of giving, the backer receives something from the artist,
such as a signed CD, or copy of their documentary. Although this website does not serve as advertising necessarily, artists can lead followers to this setting and start a conversation through sharing a mutual love for the art they create (Kickstarter).

Another good example of artists utilizing interactive marketing is through bands writing songs for specific fans. “Say Anything” is a band created by the main artist, Max Bemis. In order to become closer to his fans and create a tighter community he decided to do something unique and open up a song shop online. Through this, his fans pay money and send in a paragraph or so about anything they want the song to be about. It can be for a special occasion, about a tragedy or struggle, or can be left up to him to write a song about anything he wants. Fans who purchase a song get one created just for them by Max, guaranteed. This has been extremely effective and popular for building up his brand image and interesting people in his music. In over three and a half years he has written around 1,000 songs for his fans. He also does limited time deals where the first specified amount who enter for the songs also receive a phone call from him after the song has been delivered, which he has already done for 800 satisfied fans. He doesn’t always have the song shop opened up because of his busy touring schedule, but when he does, fans come pouring in. Not only does it work better for his schedule to do so, but it builds suspense and gets people talking about this unique
opportunity. Although taking on such a large project is very time intensive for Max, he understands the importance of it for his fan base. It connects him to them in a way that not many bands have been able to and he has found that it pays off. He is also able to learn more about his fans and is able to stay relevant, which should not be underestimated (Bemis).

Straight theatre companies are also using similar, non-Internet techniques. Theatre Pass Muraille in Toronto does something unique to engage their audience and create a stake in what the company is doing. Three times a year, they bring in playwrights that have plays in production to do 10 minutes of their shows. They invite the audience in and after the 10 minutes is up, they hand out detailed questionnaires about the scene they have just watch. The playwrights then take that information and use it to shape their productions. Meanwhile, the audience feels that they have a stake in these productions and that they have made an impact, they in turn spread the word, usually leading to sold out shows when the plays do their runs in the theatres (Artsmidwest). This is a very effective way to get bring the audience in and create a sense of community and belonging around a theatre.

These examples each show how we can use a variety of different tools to reach customers on a more emotional and effective level, in which they can get involved and be part of the experience.
Why is Broadway a great industry to begin using more interactive marketing elements? First of all, the audience is very invested in the product and is looking to connect. Also, if interactive marketing has been extremely successful in commercial business selling things such as insurance or turkey, then it is obvious that with such an emotional product and experience that interactive marketing would be extremely successful in this industry. The trends with technology are also moving in Broadway’s favor, the audience is on the front end of the technology curve, which opens up the possibilities for interactive marketing techniques.

Broadway fans are similar to other arts fans, but also have some unique qualities. They are passionate about musicals, want to be part of the community, they want to see something unique and engaging, and many travel far distances to see a Broadway production. They are looking to be part of the success of these shows as it gives them credit within the community to be part of the next big musical and know all about the old. This is the perfect market to tap into to engage them with conversation and use that to build out the community while also making it even stronger.

A very large percentage of their customer base is tourists, with 66% last season, many with the intention of seeing a Broadway show when they visit New York City (The Demographics of a Broadway Audience 2010-2011).
of this, we know that these customers want to be a part of these Broadway experiences, a key to effective interactive marketing. If they have come specifically to see a few shows, they have most likely heard of them before, which is driving their desire to see them. Interactive marketing can tap into that and make a connection with this large part of their target demographic. If tourists can feel as if they are part of the success of the show, through these marketing initiatives, they are more likely to spread the word about the shows they have seen when they return home. This reaction and word-of-mouth response comes from a connection they have made with a show and a drives them to spread the word. Since tourists also come to New York and Times Square in order to see a show. They are searching for information and are looking for the one they have heard the most positive news about. One tourist, Karen Gray from Chicago, visiting New York City with her daughter explained, “We thought about ‘Priscilla’ or ‘How to Succeed,’ but we’ve heard the best things about ‘Anything Goes,’ and we kind of want a sure thing for our one night on Broadway” (Healy). That “sure thing” perception can’t be made from only traditional advertising, it comes from word-of-mouth, which interactive marketing is very good at provoking. As of now, there is not enough interactive marketing aimed at this demographic. They want to get even more involved, but there just aren’t that many outlets for them to do so.

Another key to this industry is that the average Broadway theatregoer averages 5 shows a year, which reveals that the majority are dedicated to the art (The Demographics of a Broadway Audience 2010-2011). Because of this, these marketing techniques can have a lasting effect on how they experience performances. Take for example tweet seats. Although there is some resistance being seen from this, those who do embrace it are the
ones who know more about the shows and who have a lot of great opinions and insight into what is occurring during the performance. Also, those who have taken advantage of tweet seats explain that it adds more to the experience when it is their second viewing of the show, or if they are very familiar with it (Weinman). Since many people see so many productions a year, finding ways to market interactively will likely add even more to their love of musical theatre.

Another aspect of this industry is that only 30% of Broadway musicals make their original investment back, this shows us that there may be a need for a deeper engagement with customers (Marketing The Broadway Musical – or – The People In The Picture on Broadway). Of course there are other factors, such as the quality of the production, but this may also be a reflection of the marketing campaigns as well. They may not know who will be the most interested in their show and how to entice them to buy a ticket. Interactive marketing elements could help them learn their customers through a dialogue and bring them more success with ticket sales and return on their investment. This small percentage of successful productions has also shaped the type of shows that come to Broadway. There are many brand extensions, such as Wicked, Shrek, and Mama Mia since they can sometimes lessen the risk. This also means that interactive marketing can be more easily embraced, since customers are already familiar with the stories and brands. Technology based interactive marketing, such as website interactions with characters, games and trivia, as well as use of twitter, Facebook, mobile applications may be easier and more accessible for customers to involve themselves with.

Interactive marketing elements in Broadway can also help bring in younger audiences. In the 2010-2011 season, the average age of Broadway theatregoers, increased
to age 44 (The Demographics of a Broadway Audience 2010-2011). Although this dips into the older generations as well, using the Internet as a tool can engage both older and younger patrons. It is true that younger generations are already fully embracing new technology and the Internet and since technology is a major tool for interactive marketing, this can be an extremely effective way to reach this demographic. This issue is one that the arts have been struggling with for quite some time and this may be a solution and a step in the right direction for Broadway to embrace in their campaigns. Today, over 94% of 18-29 year olds are online - this can be translated into getting a wider reach for Broadway and engaging these younger demographics (Zickuhr). One of the great aspects of interactive marketing techniques is that the purpose is not always just to sell tickets; it is also about engaging with the brand. Kids now are the writers, actors, and producers of the future – to engage them now is extremely powerful and impactful, it could mean an even brighter future for Broadway. Older generations are also showing the trend of increasing Internet usage. In 2000, only 14% of those older than 65 used the internet, today that number is up to 50%, with ages younger embracing it in even higher numbers (Zickuhr). This shows that its not only younger generations that want to be part of this movement and embrace technology, everyone is slowly getting online and wanting to join in on the conversation.
Broadway marketing budgets are extremely small compared to more commercial businesses. However, budgets still need to take into account online, radio, print, TV, theater signage, ad agencies, direct mail, social media, press agents and also time to aid free marketing such as guerilla marketing, promos and trades with other brands, free press and word of mouth. Depending on the show, these budgets can reach to between $50,000 and $80,000 per week (Broadway Budgets: Cost of Broadway Marketing & Advertising). There are also all of the marketing initiatives that take place before the show previews even begin, which add to the high costs of running a musical. Recently, the 2012 TEDxBroadway Conference was held to discuss the future of Broadway and where it will be in 20 years. They discussed this issue of expensive marketing campaigns and looked towards social technology as the direction to go towards. Because of the shrinking amount of money from budgets wanting to be spent on marketing, producers and industry leaders see the focus needing to be on word-of-mouth. Most of the conversation about marketing is centered on social networking and the growing importance of it to Broadway productions. From this there were discussions about “smart” social networks, which they defined as “a way to share the reaction of theatergoers across a number of social media platforms” (Industry Leaders Gather to Discuss the Future of Broadway). These are already being utilized today in conjunction with traditional marketing, however, in the future, there are going to be much bigger movements than just utilizing what is being done today.

With new musicals arriving on Broadway every year, there is enormous competition for new and long-run shows, especially those who are not “big box office” type shows. Stephanie Lee, President of Group Sales Box Office explains that, “If you’re not one of the blockbuster shows, like ‘Wicked’ or ‘Mormon,’ you’ve got to find ways to differentiate
yourself...Broadway tickets are very expensive, even with a group discount, and people want strong reasons to buy” (Healy). Large billboards and television ads are usually not going to be enough to be extremely successful and cut through the clutter. Unique, attention-grabbing marketing can make a huge difference to productions if they can find a way to do it in a cost effective way and reach their target. Since many tools used for interactive marketing are utilizing technology to decrease overhead and other costs, these could be useful elements to focus more of their marketing efforts on.

The Broadway audience suits our rapidly changing technological environment very well. Based on its demographics, Broadway is the ideal candidate for using the Internet and other interactive platforms to reach customers. Take for example the Smartphone; the Broadway audience has an average income of $244,100 and an average age 44. In a study performed by Nielsen, it was found that those who make more money are more likely to have a smart phone, as well as those who are older. As you can see from the graphs, even those ages 55-64, making over $100,000 are almost as likely as those ages 35-
making $35,000-50,000 (Nielsen). This means that many are already connected and are looking for ways to interact. It also shows that there is a market here, a strong one that should be taken advantage of.

For the musical Next to Normal, they found a way to use social media in a very compelling way. They decided to launch an adapted version of the musical during a month long campaign to sell tickets and increase popularity of the show. For the campaign, they tweeted character thoughts that went along with the plot for the thirty days and were very successful in creating buzz. Within the first week they reached 30,000 followers and by the end of the campaign that number had reached over 145,000 people. When asked about it, many said that they attended the show because of the twitter account. Even after the campaign had ended, the cast continued to tweet towards fans and interact on twitter, leading to an additional following for 550,000 people. Although the show itself was extremely well received and won Tony awards that year, the performance on Twitter helped to spread the word about the show and created a place where fans could be part of the success of this new musical.

There are good, exciting examples of the beginnings of a new direction for interactive marketing in this industry, but there are also already norms that have come into marketing campaigns when it comes to social media. In looking at the shows on Broadway today, each of them has a Facebook page, Twitter account, YouTube channel, and a website that links consumers to each. Most are using these resources in very similar ways, although some are more aggressive than others. The use of twitter is pretty similar throughout the Broadway line up. Most shows tweet daily, with some only tweeting once a day and others will go ups to 25, such as “Spider Man: Turn Off the Dark.” Facebook pages
are also being used relatively similarly throughout. All use it as a space to post new buzz, events, links to ticketing sites, soundtrack streaming and information about the show. However, some are taking it further with added interactive elements. These either involve bringing different interactive elements right to the wall, such as “Book of Mormon” who are engaging with customers to come up with creative ideas for a new t-shirt for the show or having a separate section of the page that gets fans involved, such as “Sister Act.” They have created a space where fans can upload videos to a “confessional” where they can talk about what they enjoyed about the show. This is then shared with all of the other fans on the page, which acts as a form of word-of-mouth advertising for the production. Also, about half are utilizing the option to hide activities or soundtracks until a fan “likes” the page, this is to entice people to connect as fans rather than just view the page quickly; “Book of Mormon” lets you listen to the soundtrack, “Mary Poppins” reveals their “for fans” section which reveals a live feed of reviews of the performances, words of wisdom through show quotes, an area where you can submit what city you will see the production at, and a space where you can select what you like most about the musical and are then able to see why everyone else likes it as well, and Wicked you can “Elphaba Yourself” by uploading a picture and having it made to look green like Elphaba.

Most Broadway shows rely on marketing and advertising help from three major agencies: SpotCo, Serino Coyne, and Eliran Murphy Group (EMG). In speaking with the Supervisor of Online Operations at SpotCo, I found that there are a lot of efforts being done in interactive marketing for Broadway. However, there was a slight disconnect from the true meaning of interactive marketing. Although he did talk about using Facebook and Twitter as a tool for marketing, as well as
other newer sites, such as Pinterest and Instagram, there was more of a focus on translating traditional print marketing on to the Internet. He spoke about how they do use social networks to launch presale tickets, which they had not been able to do in the past, and is at no cost to them, but a major portion of his job is solely focusing on ads on web, mobile, and tablet platforms. This may be a necessary step for eventually fully integrating interactive marketing into Broadway, but there is still more than could be done to engage customers. Once they fully integrate interactive marketing into their campaigns, they are going to notice a very positive response from their customers.

Conclusion

Through looking the variety of interactive marketing techniques being utilized today, it is obvious that this is a powerful way to interact with customers and make powerful connections. Based on Broadway's audience base, their connection with new technology, and the emotion of the product it sells, interactive marketing can be extremely successful and an ideal marketing technique for the industry.
Works Cited


Appendix

Marc Mettler – SpotCo Interview

What is your role in relation to the interactive advertising done at SpotCo?

I am the Supervisor of Online Operations at SpotCo, which means I oversee the entire online department along with the Director of Interactive. The department handles the media buying, account/client management, online marketing, SEM and creative development (banners, websites, applications, etc) for all things interactive.

How do you decide that interactive marketing & advertising approaches are appropriate for your client?

We recommend interactive marketing and advertising for all of our clients. It used to be that offline advertising (print, tv, radio) were thought of separately from online -- that interactive was just layered on to compliment the offline campaigns. Over the last couple years, interactive campaigns have become much more important and are now thought of less as an add-on. Print ads in the The New York Times -- which used to consistently deliver -- are not as reliable anymore. And through tracking on consumer and ticketing sites, we can see the online campaigns delivering much more consistently.

Is there a formula you follow in coming up with a marketing plan for clients and how the interactive side will fit in?

There is no formula -- we tend to craft unique campaigns (both for paid media and marketing) for each show depending on their strengths.

For Hugh Jackman: Back on Broadway, we knew there would be a lot of interest in the show because of Hugh's celebrity status. In the beginning, we focused on awareness -- announcing the show to Hugh's existing facebook/twitter fans and running a short campaign on theater sites. As sales increased and inventory decreased, we made sure to prominently displayed the option to buy premium tickets on the website.

For a show like Memphis, which didn't have any stars, we spent more time educating people about the story of the show by using the tv spot in banners, on the website and on social media. Paid media focused mostly on traditional theater sites. As the campaign continued, online marketing began reaching out to more niche audiences via blogs and social media, and also complimented any press and word-of-mouth through social media posts.

What do you think are the most powerful aspects of combining interactive advertising and Broadway?
Interactive advertising and marketing for Broadway has made it easier for the rest of the country and world to access information about Broadway. Through show websites and theater/news websites, people everywhere can connect with and learn about Broadway shows. This is important because Broadway is essentially a national product, but one has to be in New York to experience it (so in that way it is local). Audiences for Broadway are a mix of both tourists and locals -- so it’s important that information about the shows is accessible to anyone who may be coming to NYC. The internet has allows us to speak to potential audiences everywhere -- they can watch b-roll footage of the show on YouTube or the show website, enter a contest hosted on Facebook or a blog, or listen to the music. All of these things can help educate the consumer and potentially get them to buy tickets.

What do you think are the effects of interactive advertising versus traditional advertising and marketing tactics?

I think paid media for both online and offline work similarly, they compel the consumer to buy a ticket. The difference for online is that you have more options creatively to sell it. In banners, you can use various combinations of media to educate and sell the consumer on a show -- for instance, copy, video, photos, music, animation, etc. And social media adds a further layer, where you aren’t always asking for the consumer to buy a ticket, but to just engage with the brand through posts, contests, applications. The effects of social media can vary widely from show to show. When Pee-Wee Herman did his show on Broadway, a simple post from Pee-Wee to his fans with pre-sale info showed success in ticket sales, with no help from paid media. Another show without a celebrity may not have the same success.

What changes have you seen with marketing in this industry that have led up to how you market and advertise for your Broadway clients today?

Again, I think we’ve seen a shift to focus more on interactive (rather than more focus on print in the past). This goes hand-in-hand with the Pee-Wee example above. A few years ago, a pre-sale would never be launched solely on social media. But we are finding new ways to harness the power of fans on Facebook, Twitter, and also new platforms like instagram (which we are using for Once: oncephotos.com ) or pinterest. Producers are now more comfortable with interactive means to engage fans and sell tickets. For Chicago, we built an application to boost the numbers of the Facebook page by giving away an entire house for a single performance of the show. This just wouldn't have happened a few years ago.

Where do you see interactive marketing & advertising moving in the future with this industry?

For websites, we're constantly dealing with new devices -- mobile, tablets, etc -- which means there are new operating systems, new forms of programming and more work to do to make show sites compatible across them all. We're seeing a ton of traffic from iphones and mobile devices on our sites, so I think a lot of the future will be making sure show content is usable for everyone.
For paid media, we are spending more dollars on things like google remarketing and google ad network, where we can more finely target users and sites based on demographic info, at a low cost/high return. So I think we’ll continue to see growth in this area.