

ASHEVILLE AREA CENTER FOR THE PERFORMING ARTS AUDIENCE AND MARKET STUDY TO SUPPORT PLANNING EFFORTS

PART 1: INTRODUCTION AND FINDINGS

INTRODUCTION

During March 2005, the Asheville Area Center for the Performing Arts (AACPA) contracted with Surale Phillips of Decision Support Partners, Inc. to conduct a geodemographic analysis of a 22-county region including 17 counties in western North Carolina and five counties along the North Carolina-Tennessee border with additional analysis of audiences representative of 13 producers and presenters of performing arts in Asheville. This study is intended to augment the findings and recommendations reported by Economics Research Associates in May 2004 by looking deeper into the characteristics of households with actual performing arts purchase history and market potential for the purchase of live theatre, dance, and music product. This study is not a statement of feasibility for the AACPA, nor is it a study of non-resident use or tourism potential. This report offers an alternative view to assessing market demand, opportunity, and programming mix based on a methodology that combines primary and secondary data.

EXECUTIVE SUMMARY OF FINDINGS

- It is estimated that 28 percent of the 490,501 households in the 22-county region studied have the potential for regular, frequent or occasional attendance at the proposed AACPA. Fifty percent are likely to be infrequent attendees and 22 percent are likely to attend rarely or not at all.
- The proposed AACPA has the possibility of drawing from approximately 398,790 potential performing arts buyers, with an estimated demand of 817,890 visits. Eighty percent of those potential buyers (319,032) are likely to come from within the 22-county region studied, and 20 percent (79,758) from outside the region (tourists and other visitors). Demand estimates for regional buyers total 654,310 visits and tourist demand is estimated at a total 163,580 visits. Capturing 20 percent of regional demand is estimated to yield 130,862 annual visits. A modest capture rate of five percent of tourist demand might yield an additional 8,179 visits.
- The primary market for the AACPA is an eight-county region roughly within a 30-mile radius of Asheville with a total of 210,545 households. Households in this primary market hold significantly stronger potential for participation at the proposed AACPA than do households in the rest of the region. This strength is not simply due to their geographic proximity to Asheville, but because of their household characteristics relative to performing arts attendance as well as their known buying behavior. The population of the primary market is also expected to grow at a higher rate between 2004 and 2009 (4.3 percent) than that of the secondary market (2.7 percent).
- Potential for attendance at the proposed AACPA from households outside the 22-county region appears to be stronger than that within the secondary market. Of the 34,922 audience households provided for analysis, 40 percent come from outside the defined region of study. Of these 13,812 households not analyzed as part of this study, 48 percent come from other counties in North Carolina, while 19 percent come from South Carolina. The remainder comes from a variety of states, predominantly Georgia, Tennessee, Florida, and Virginia. This number is

potentially significant for a new performing arts center as it would be for any number of other tourist options not only in Asheville, but for arts, entertainment, and other options. The out-of-region visitor segment, although highly desirable, is far more subject to other influences in the spending of discretionary income.

- Approximately 23 percent of households (48,484) in the primary market might be considered a stronghold of regular or frequent attendees with another 16 percent (33,456 households) likely to attend occasionally. Sixty one percent of the primary market might be considered a weak market of infrequent and rare attendees. In comparison, seven percent of households (19,483) in the 14-county secondary market consist of households likely to be regular or frequent attendees of performing arts events. Within the secondary market, another 13 percent of households (35,242) might be considered occasional attendees, with 80 percent of households attending infrequently, rarely, or never. Of the 21,110 audience households analyzed from the 13 project participants, 95 percent come from within the primary market area.
- Overall demand for performing arts product among regional households is extremely varied and ranges from households that are 130 times more likely than average consumers to purchase performing arts product to households that are 49 percent less likely than average. The lifestyle characteristics of these households is also extremely diverse, representing 42 unique lifestyle “clusters” of varying sizes. This diversity could be a strength or a weakness for the AACPA depending on the proposed product mix, as audience development opportunity in this market appears strongest among households that prefer a mix of commercial and classical product.
- Because over half of the visit potential from regional households exists within market segments considered to be occasional or infrequent attendees, it will be critical that the potential programming mix appeal to these audiences, as they will be most difficult to attract. Currently, it appears that their programming needs are not being met to a great extent by the organizations that provided the data for this study. It is probable that this market frequents venues such as the Orange Peel and attends other commercial, non-classical product. There is latent demand within this extremely large portion of the market, but further study into particular program interest is recommended.
- Demand is strongest for music, with visits for music events projected to account for 62 percent of all regional visits, compared to 30 percent for theatre and eight percent for dance. However, as limited data was provided on Broadway Touring at the Thomas Wolfe Auditorium, specific empirical analysis regarding a Broadway audience is not possible.
- Almost half the current performing arts audience studied (21,110 households) is comprised of clusters found in Regular and Frequent audience market segments. Potential visits from more households throughout the region would rely on a shift in audience type to reach more occasional and infrequent household types. A diverse programming mix, as well as one that skews away from classical product, should be explored since the market expansion potential for strictly classical product appears to be limited.
- There is exceptional loyalty among the households studied toward particular organizations, as well as a noticeable lack of overlap among organizations and the disciplines the present. Seventy-five percent of the database households analyzed are affiliated with a single organization, meaning they do not overlap with any of the other 12 organizations in the study. Less than five percent of

the sample is affiliated with more than three organizations. It is clear that not all of the same households are going to “everything”. This is both an asset and a liability. It should not be assumed that with aggressive marketing, audiences will migrate from one presenter or venue to another. It should also not be assumed that these potential audiences will greatly expand the variety of their interests thereby attending more often. This would seem to indicate the importance of programming to existing preferences in order to reach this base of patrons. Programming should also be diversified to meet the needs of the occasional and infrequent audience markets. Although classical music audiences draw most heavily from clusters in the Regular and Frequent market segments, it is important to acknowledge that these segments are much smaller than the others.

- The current classical music audience overlaps, to some extent, with touring mixed product (44 percent), but very little with other types of product. Audiences of local productions (mixed discipline) overlap with touring product (40 percent), and somewhat with classical music (23 percent). Audiences of pops/popular music programming show little overlap with any discipline other than touring mixed product, but this is still limited to 12 percent. Audiences of touring mixed product overlap well with classical music (32 percent). Classical audiences can be expected to cross over to other performing arts, including pops and touring, but the converse cannot be expected. The touring mix audience appears to be an ideal market as long as it can be mined for similar programming.
- Regular attendance at the proposed AACPA from households in the region is likely to come from seven specific lifestyle clusters. These clusters range in size from 936 households to 9,377 households, and make up four percent of all households in the region. The largest of these include the MOSAIC clusters Professional Urbanites and Young Cosmopolitans; they have median ages of 57 and 42, and median household incomes of \$72,122 and \$47,265. Forty five percent and fifty four percent of the population in these clusters, respectively, have a college degree or higher. Population in the Young Cosmopolitan cluster is expected to grow by 10.8 percent between 2004 and 2009 and Professional Urbanites are expected to grow by 5.4 percent.
- Regular audience households are estimated to account for 13 percent of projected visits, with 57 percent attending for music, followed by 31 percent for theatre, and 12 percent for dance. Classical music, touring mixed performing arts events, and opera appear to be the strongest draws for these attendees.
- Frequent attendance at the proposed AACPA is likely to come from six specific lifestyle clusters maintaining households in the region. These clusters range in size from 708 households to 28,235 households, and make up 10 percent of all households in the region. The largest of these include the MOSAIC clusters Second City Homebodies and Urban Advancement; they have median ages of 43 and 45, and median household incomes of \$49,356 and \$44,428. Thirty one percent and thirty eight percent of the population in these clusters, respectively, have a college degree or higher. Population in the Second City Homebodies cluster is expected to grow by 5.5 percent between 2004 and 2009, while Urban Advancement is expected to decrease by .34 percent.
- Frequent audience households are estimated to account for 16 percent of projected visits, with 59 percent of visits being for music, followed by 31 percent for theatre, and 10 percent for dance. Dance, local mixed product, local theatre, opera, and touring mixed product appear to be the strongest draws for these attendees.

- Occasional attendance at the proposed AACPA is likely to come from six specific lifestyle clusters maintaining households in the region. These clusters range in size from 2,384 households to 25,854 households. The largest of these include the MOSAIC clusters Small Town Connections, Mid-Market Enterprise, and Moderate Conventionalists, with median ages ranging from 41 to 46 as well as median household income ranging from \$35,353 to \$45,151. Between 21 percent and 30 percent of the population in these clusters have a college degree or higher. Population in the Small Town Connections cluster is expected to grow by .95 percent between 2004 and 2009, Mid-Market Enterprise is expected to grow by 3.6 percent, and Moderate Conventionalists are expected to grow by 3.3 percent.
- Occasional audience households are estimated to account for 19 percent of projected visits, with 59 percent of visits being for music, followed by 32 percent for theatre, and nine percent for dance. Local theatre, local touring mixed product, pops/popular music, and classical music appear to be the strongest draws for these attendees.
- Infrequent attendance at the proposed AACPA is likely to come from 17 extremely diverse clusters that make up 50 percent of all households in the region. These clusters range in size from 373 households to 89,077 households. The largest of these include the MOSAIC clusters Comfy Country Living, Hardy Rural Families, Southern Blues, and Rural Southern Living. They have median ages ranging from 36 to 41, and median household incomes ranging from \$34,860 to \$38,301. Between nine and 18 percent of the population in these clusters have a college degree or higher. Population in the Comfy Country Living cluster is expected to grow by 3.9 percent between 2004 and 2009, Hardy Rural Families are expected to grow by 5.7 percent, Southern Blues are expected to grow by 1.3 percent, and Rural Southern Living is expected to grow by 9.7 percent.
- Infrequent audience households are estimated to account for 42 percent of projected visits, with 65 percent of visits being for music, followed by 29 percent for theatre, and six percent for dance. Pops/Popular music, dance, local mixed product, and local theatre appear to be the strongest draws for these attendees.
- Rare attendance at the proposed AACPA is likely to come from six diverse clusters maintaining households in the region. These clusters range in size from 884 households to 60,050 households and make up 22 percent of all households in the region. The largest of these include the MOSAIC clusters Hinterland Families and Grass-Roots Living. They have median ages of 39 and 38, with median household incomes of \$34,242 and \$29,865. Less than 10 percent of the population in these clusters have a college degree or higher. Population in the Hinterland Families cluster is expected to increase by 4.8 percent between 2004 and 2009, while Grass-Roots Living is expected to decrease by 1.2 percent.
- Rare attendance households are estimated to account for 10 percent of projected visits, with 70 percent of visits being for music, followed by 23 percent for theatre, and seven percent for dance. Pops/popular music appears to be the strongest draw for these audiences.