

# What's Happening in Electronic Media?

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3:00pm – 4:00pm

Sterling 6, 2nd Floor

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**wolf  
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# Agenda

- Introductions and Welcome
- Orchestra Electronic Media Strategy:
  - Trends
  - Opportunities
- Detroit Symphony Orchestra – Case Study
- Q & A

The background features a complex geometric pattern. On the left, a white vertical band contains a grid of light red circles. This transitions into a larger area with overlapping, semi-transparent red circles of various sizes. A prominent, thick red brushstroke-like arc curves across the top and middle of the frame. The overall color palette is dominated by shades of red and white.

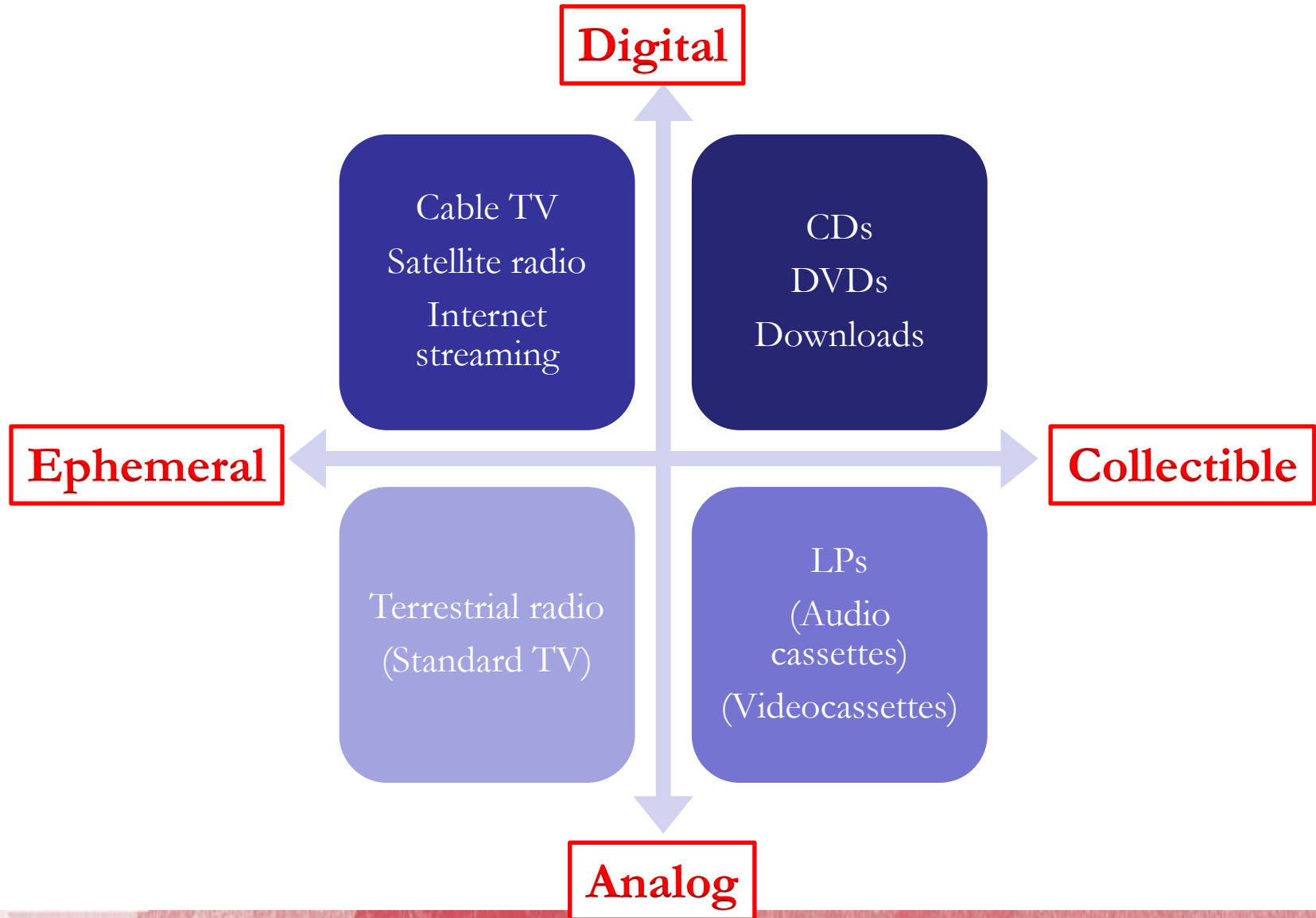
# **Electronic Media Trends**

# Orchestral Mission

- Historical:
  - Live music performances “in person”
  - For audiences in concert halls
  - Electronic media: secondary role for some (but not part of core mission)
- Today:
  - Live music performances for widest possible audiences
  - Technology & electronic media should be core strategies for:
    - Bringing more people to hear music in concert hall and
    - Bringing music to more people outside concert hall



# Traditional Product/Distribution Definitions



# Changing Product/Distribution Definitions

- Changes in technology and customer expectations:
  - Blurring lines between “ephemeral” and “collectible”
  - Customers demanding more control
- “On demand” (temporary customer control of access to content via device under distributor’s control):
  - Time shifting: Podcasts, DVRs
  - “On-demand:” Internet streaming, digital cable TV
  - Cloud storage of collectible customer owned content
- “Social media” (customer control of content/distribution):
  - YouTube
  - Facebook
  - Twitter
  - LinkedIn
  - Pinterest
  - Tumblr
  - Reddit
  - Google+
  - Instagram\*

# Historical Electronic Media Strategies

- High production/distribution costs = limited arts content
- Most activity initiated by broadcast/recording entities, which:
  - assumed the financial risk
  - controlled the distribution channels
  - retained most of the economic value of the content
  - shifted cost burdens to orchestral institutions
  - sought mass market (e.g. crossover) content (i.e. declining interest in serious art content)
- Most content = performance of full works/concerts
- Results for orchestras:
  - Meaningful activity/income for large orchestras thru mid-90s
  - Local activity only for smaller orchestras

# Current Electronic Media Trends

- Less demand for full performance content; increased opportunity to exploit excerpts and value-added content
- Declining costs of capture/distribution (lower entry barriers)
- Internet disintermediation (retain distribution control)
- Digital broadcast spectrum expansion (audio and audio-visual)
- “Long-Tail” economic value in products with limited individual mass market value, but large aggregate value:





# Social Media Trends

- Method of developing larger and more engaged audiences
- Objective is to develop committed relationships with audiences and supporters
- Use multiple access points, in addition to institution website
- Arts groups must empower audiences, by soliciting and listening to feedback
- Artists and arts groups must share control of access to and distribution of creative content
- Community engagement requires continual, iterative process

# 21<sup>st</sup> Century Social/Electronic Media Principles

- Tapscott and Williams: “Wikinomics”
- The differences between successful businesses and failures:
  - The losers built websites.
  - The winners launched vibrant communities.
  - The losers built walled gardens.
  - The winners built public squares.
  - The losers innovated internally.
  - The winners harnessed the innovation and effort of their users.
  - The losers jealously guarded their content and software.
  - The winners shared them with everyone.

The background features a complex geometric design. On the left, a white vertical band contains a grid of light red circles. This transitions into a larger area with overlapping, semi-transparent red circles of varying sizes. A prominent, thick red arc curves across the upper left and center. The overall color palette is monochromatic, consisting of various shades of red and white.

# **Electronic Media Opportunities**

# Current Opportunity

- To take advantage, arts groups must identify:
  - Benefits of technology for distributing content
  - “SMART” objectives for electronic media activities (why)
    - Specific, Measurable, Ambitious, Realistic, Time-based
  - Activities/content to accomplish objectives (what)
  - Target audiences (to whom/where)
- To implement plan:
  - Undertake cost/benefit analysis (time + money)
  - Incorporate as “core” priority in operating budget
  - Take initiative (proactive vs. reactive) and
  - Outsource functions where appropriate

“Carpe diem” – Seize the day

# Electronic Media Goals

- Before undertaking any electronic media activity, each arts group must be clear about the goals and objectives of its electronic media activities:
  - **Marketing (building/engaging audiences for performances)**
  - **Expanding the audience (beyond concert hall)**
  - **Institutional branding/promotion/pride**
  - **Stimulating contributions (direct/indirect)**
  - **Generating incremental net revenue for artists**
  - **Generating incremental net income for the institution**

# Electronic Media Strategies

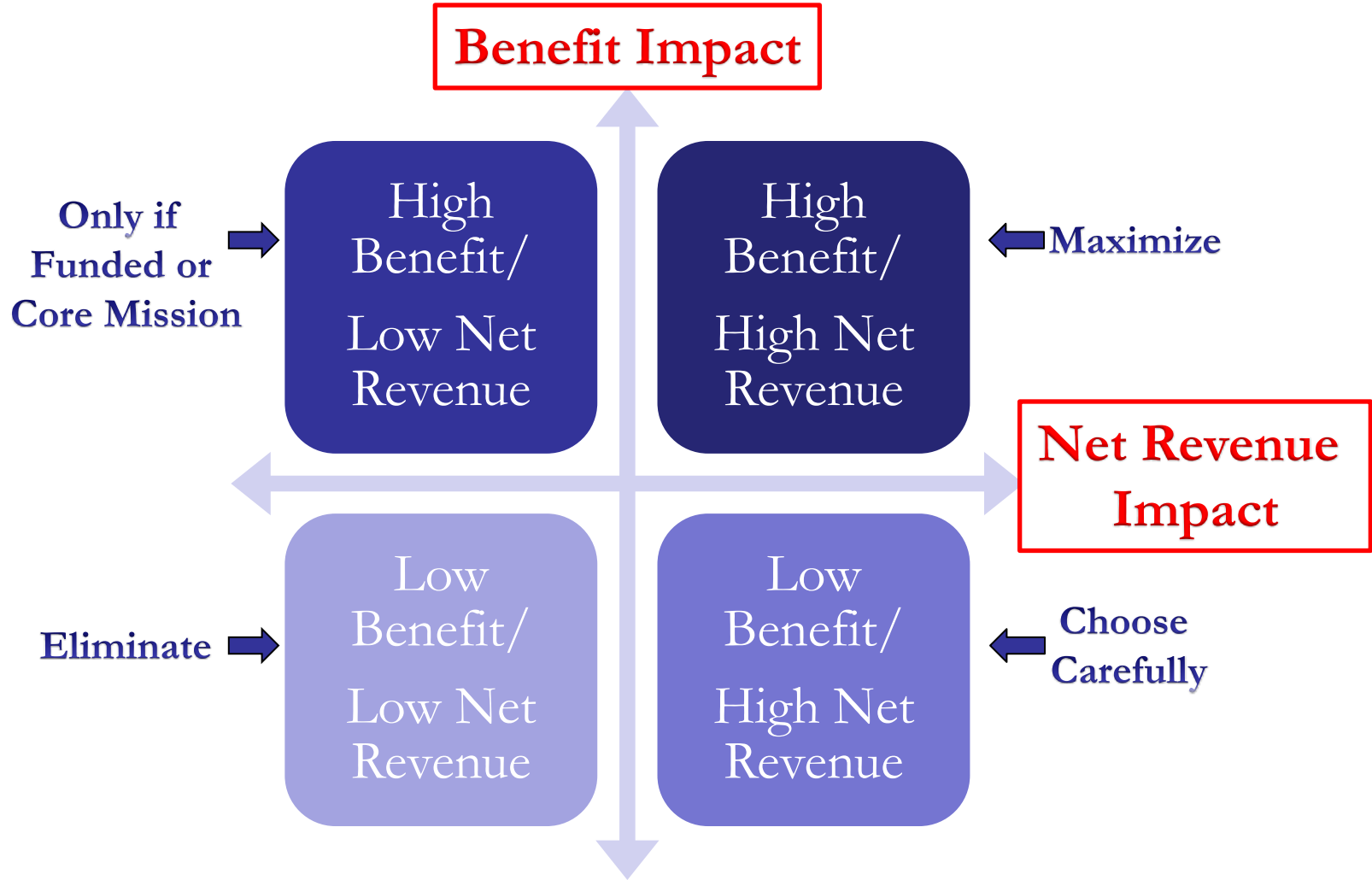
- Evaluate which electronic media activities are an effective strategy for attaining desired goals:
  - **Audio Ephemeral:**
    - Radio
    - Internet Streaming
  - **Audio Collectible:**
    - Live CDs
    - Studio CDs
    - Downloading
  - **Audio On-demand:**
    - "On-Demand" Streaming
    - Podcasting
  - **Audio-Visual Ephemeral:**
    - TV
    - Internet Streaming
  - **Audio-Visual Collectible:**
    - DVDs
  - **Audio-Visual On-demand:**
    - "On-Demand" Streaming (e.g. YouTube)
    - Podcasting

# Target Audiences and Content

- Determine what, where, and to whom:
  - **Where to distribute:**
    - Locally, Regionally
    - Nationally, Internationally
  - **What content to distribute:**
    - Full length works
    - Excerpts
    - Traditional repertoire
    - Contemporary repertoire
    - Pops
    - Education
  - **To whom to distribute:**
    - Young children/families
    - Students (K – 12; college)
    - Young professionals
    - Classical concert attendees
    - Classical non-attendees
    - Non-classical, non-attendees
    - Institutions (hospitals, nursing homes, etc)



# Cost/Benefit Analysis







# Audio Goals and Strategies (SAMPLE)

ELECTRONIC MEDIA PLANNING WORKSHEET	GOALS AND OBJECTIVES						TARGET LOCATION			TARGET AUDIENCES						COST/ BENEFIT		PROGRAM CONTENT				PROGRAM CONTENT	NOTES/CONTENT				
	TICKET SALES	EXPAND AUDIENCE	PROMOTION/REPUTATION	CONTRIBUTIONS	INCOME TO MUSICIANS	INCOME TO INSTITUTION	LOCAL	STATE/REGIONAL	NATIONAL	INTERNATIONAL	YOUNG CHILDREN	STUDENTS	YOUNG PROFESSIONALS	CLASSICAL ATTENDEES	CLASSICAL NON-ATTENDEES	NON-CLASSICAL	INSTITUTIONS	COST (High/Medium/Low)	BENEFIT (High/Medium/Low)	TRADITIONAL	CONTEMPORARY			POPS	EDUCATION	P = PERFORMANCE E = EXCERPTS	
Y=YES M=MAYBE N=NO Y-I = INDIRECT BENEFIT Y-D = DIRECT BENEFIT																											
<b>AUDIO EPHEMERAL:</b>																											
Local Radio	Y	Y	Y	M	N	N	Y	N	N	N	N	M	M	Y	Y	M	M	L	H	Y	Y	M	N			Discuss Pops quality issues	
National Radio	N	Y	Y	M	Y	N	Y	Y	Y	N	N	M	M	Y	Y	M	M	M	M	Y	Y	N	N			Expand station carriage	
Satellite Radio																											Would Sirius take our content?
International Radio	N	Y	Y		Y													H	L								
Internet Streaming	Y	Y	Y	M	N	N	Y	Y	Y	Y	N	Y	Y	Y	Y	M	M	L	H	Y	Y	N	N			Limit window?	
<b>AUDIO COLLECTIBLE:</b>																											
Live CDs (archival)																		H	L								Except for specials
Live CDs (new)																		H	L								
Studio CDs (new)																		H	L								
Downloading	Y	Y	Y	M	M	M	Y	Y	Y	Y	N	Y	Y	Y	Y	M	N	L	H	Y	Y	N	N			Expand to all 18 classical weeks	
<b>AUDIO ON-DEMAND:</b>																											
"On-Demand" Streaming	Y	Y	Y	Y	N	N	Y	Y	Y	Y	N	Y	Y	Y	Y	M	N	L	H	Y	Y	N	N			Premium for subscribers and donors?	
Podcasting																											



# Audio-Visual Goals & Strategies (SAMPLE)

ELECTRONIC MEDIA PLANNING WORKSHEET	GOALS AND OBJECTIVES					TARGET LOCATION				TARGET AUDIENCES						COST/ BENEFIT		PROGRAM CONTENT			PROGRAM CONTENT		NOTES/CONTENT		
	TICKET SALES	EXPAND AUDIENCE	PROMOTION/REPUTATION	CONTRIBUTIONS	INCOME TO MUSICIANS	INCOME TO INSTITUTION	LOCAL	STATE/REGIONAL	NATIONAL	INTERNATIONAL	YOUNG CHILDREN	STUDENTS	YOUNG PROFESSIONALS	CLASSICAL ATTENDEES	CLASSICAL NON-ATTENDEES	NON-CLASSICAL	INSTITUTIONS	COST (High/Medium/Low)	BENEFIT (High/Medium/Low)	TRADITIONAL	CONTEMPORARY	POPS		EDUCATION	P = PERFORMANCE
<b>Y=YES M=MAYBE N=NO</b> <b>Y-I = INDIRECT BENEFIT</b> <b>Y-D = DIRECT BENEFIT</b>																									
<b>AUDIO-VISUAL EPHEMERAL:</b>																									
Local TV	Y	Y	Y	M	Y	N	Y	N	N	N	Y	Y	Y	Y	Y	Y	H	H	Y	Y	M	Y			
National TV	N	Y	Y	M	Y	N	Y	Y	Y	N	N	M	Y	Y	M	Y	H	M	Y	Y	M	Y			
International TV																									
Internet Streaming	Y	Y	Y	M	M	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	H	H	Y	Y	M	Y			
<b>AUDIO-VISUAL COLLECTIBLE:</b>																									
DVDs																									
Downloading																									
<b>AUDIO-VISUAL ON-DEMAND:</b>																									
"On-Demand" Streaming (YouTube)	Y	Y	Y	M	N	N	Y	Y	Y	Y	N	Y	Y	Y	Y	M	N	L	H	Y	Y	M	Y	E	
Podcasting	Y	Y	Y	M	N	N	Y	Y	Y	Y	N	M	M	Y	Y	M	N	L	M	Y	Y	N	M	E	

# Implementation Planning

- Determine responsibility for production and distribution functions
- Obtain contractual business agreements
- Obtain contractual agreements with performers and rights holders
- Develop financial plan:
  - “Must Do” projects (built into core budget)
  - “Nice To Do” projects (require dedicated funding)
- Obtain internal approvals

# Rights Clearance Overview

- Obtaining agreements with:
  - Musicians
  - Conductors
  - Soloists
  - Composers/Publishers
  - Stagehands
  - Performance Venues
  - Other: photos, program notes, etc.
- Process:
  - Shared goals + strategies
  - Collaborative decision making =
  - Consensus agreements

# Conclusions

- Primary mission will (should) continue to be:
  - Presenting high quality performances
  - To widest possible audiences in concert halls
- Making electronic media activities a **core activity** can:
  - Expand audience beyond the concert hall
  - Motivate more people to come to concerts
  - Help make case for 21<sup>st</sup> Century relevance
- Optimal planning for electronic media activities:
  - Collaborative process to reach internal consensus on:
    - Electronic media goals and objectives
    - Individual institution strategies to achieve them



*“Some men see things as they are and ask why.  
Others dream things that never were and ask  
why not.”*

*George Bernard Shaw*