

The logo for the Seattle Art Museum (SAM) is displayed in a bold, black, sans-serif font. The letters 'S', 'A', and 'M' are significantly larger than the words 'SEATTLE ART MUSEUM' which are stacked to the right of the 'M'.

SAM SEATTLE
ART
MUSEUM

What's the Sweet Spot for Membership Size?



*yayoi
kusama:
infinity
mirrors
June 30 –
Sept 10 2017*

Challenges and Opportunities

High Cost / High Demand / Limited Capacity

- High cost of exhibition
- Very limited capacity (100 people/hr or 67,000 for the entire show) meant decisions had to be made
- High Demand = revenue opportunity and audience acquisition

Membership Strategy

Increase membership prices

No change in benefits – members enjoy unlimited free admission

Prioritize efforts while balancing attendance and membership

Two Week Member Ticket Pre-sale

Only allowed these two weeks to push acquisition efforts. After this time the focus was to be on tickets.

Priority 1 Current Members

Find a way to meet current members expectations – how can we get 38,000 member households in to see the show?

More events

Member pre-sale ticket opportunity

Members priority access onsite strategy

Increased staffing in Customer Service Center

Special concierge service for middle tier members

Priority 2 New Members

High Demand /limited capacity meant high likelihood of value based members

Initially – Given two week window to push membership – via mail / email / digital

Acquisition Dates - May 12 - 29

Spent = \$34,958 Return = \$400,351

Acquired 4,264 new/rejoin members

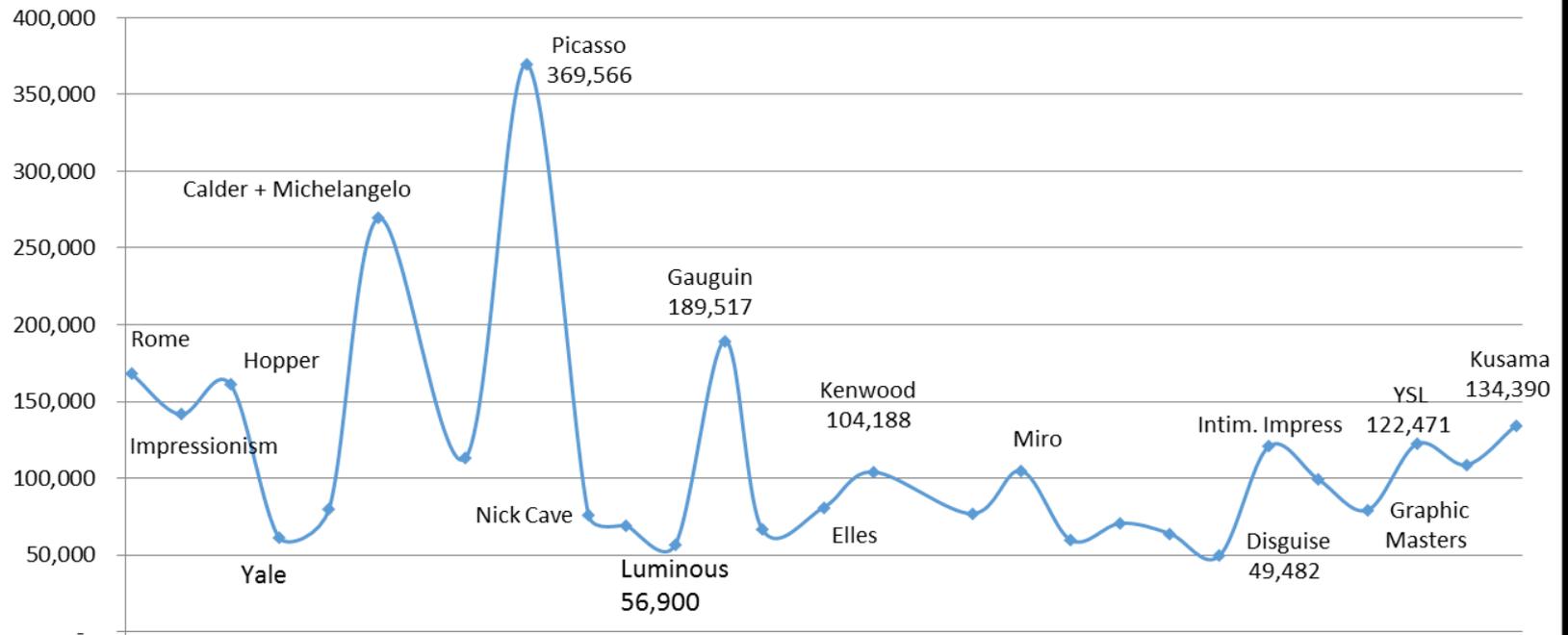
*They want
to join, what
do we do?*

Keep Selling Memberships

- Gallery capacity increased immediately, additional tickets were only available onsite - opened door to membership sales
- Averaged almost 200 memberships a day
- High percentage of first-time visitors, tourists and students
 - Decisions had to be made
 - Don't fulfill certain memberships and

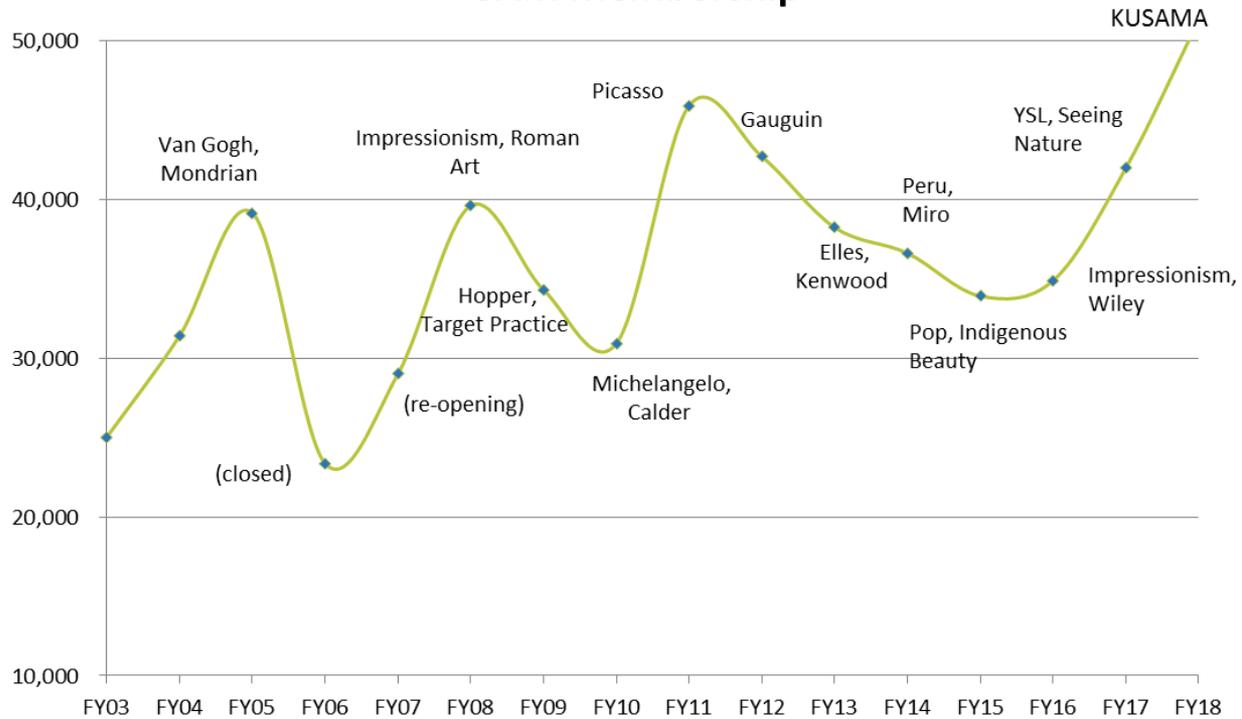
Final week of the show – shut it down!

SAM Attendance



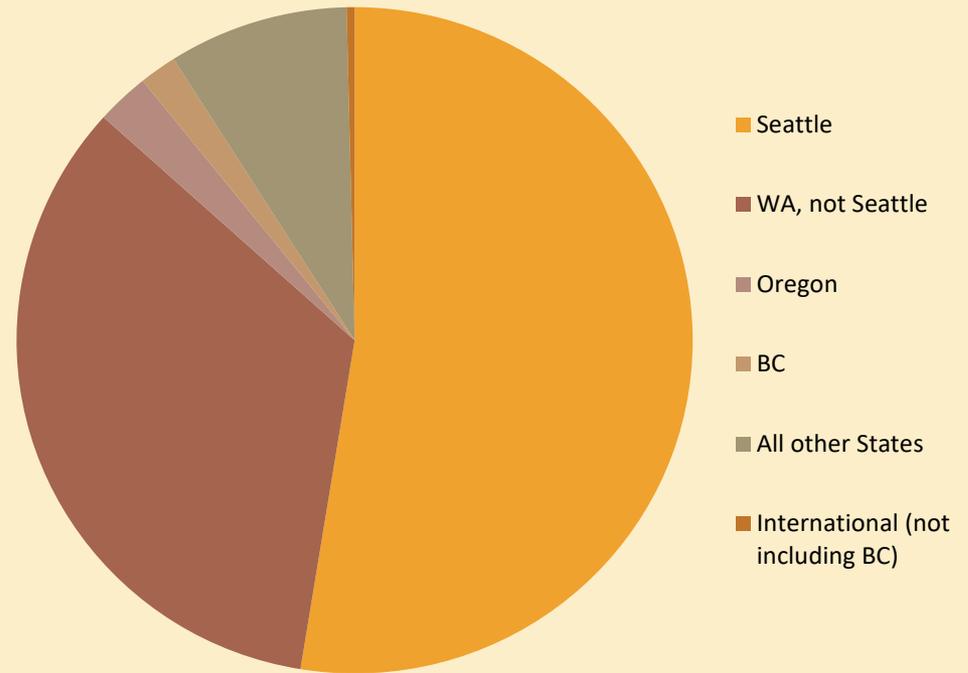
WHAT HAPPENED?

SAM Membership



WHAT HAPPENED?

What Happened?



Place	Number	Percent
Seattle	8524	52.50%
WA, not Seattle	5531	34.00%
Oregon	412	2.50%
BC	290	2.00%
All other States	1397	8.50%
International (not including BC)	62	0.50%
	16216	100.00%

What Happened?

Pre – Member count = 38,219

After – member count = 51,295

Member attendance as % of total attendance, Avg.
during special exhibition 32%, During Kusama – 52%

Average gift before the price increase \$ 84.40

Average gift after price increase \$91.00

Avg. onsite conversion pre Kusama – 3%

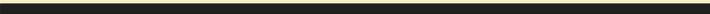
Onsite conversion rate during Kusama – 11%

What Do We Do Now?

- We ended Kusama with 51,295 member households.
- 16,269 mostly new members, 2,000 are students, younger, and 48% are from outside Seattle.
- Challenges of having this many members
 - Staffing
 - Fulfillment costs – printing, mailing, catering
 - Events selling out
- Develop an engagement strategy with the goal of
 - Getting them back in the door
 - Understand better who these people are
 - Determining who we should and should not spend resources attempting to renew
- Based on early results from our Wyeth exhibition membership is expected to go up more before it begins the sharp and steady decline that will take place in 12-18 months.

*What Would
We Do
Differently?*

- Begin planning earlier
- Limit admissions associated with membership
- Increase price further
- Increase capacity by extending hours



What's the Sweet Spot for Membership Size?

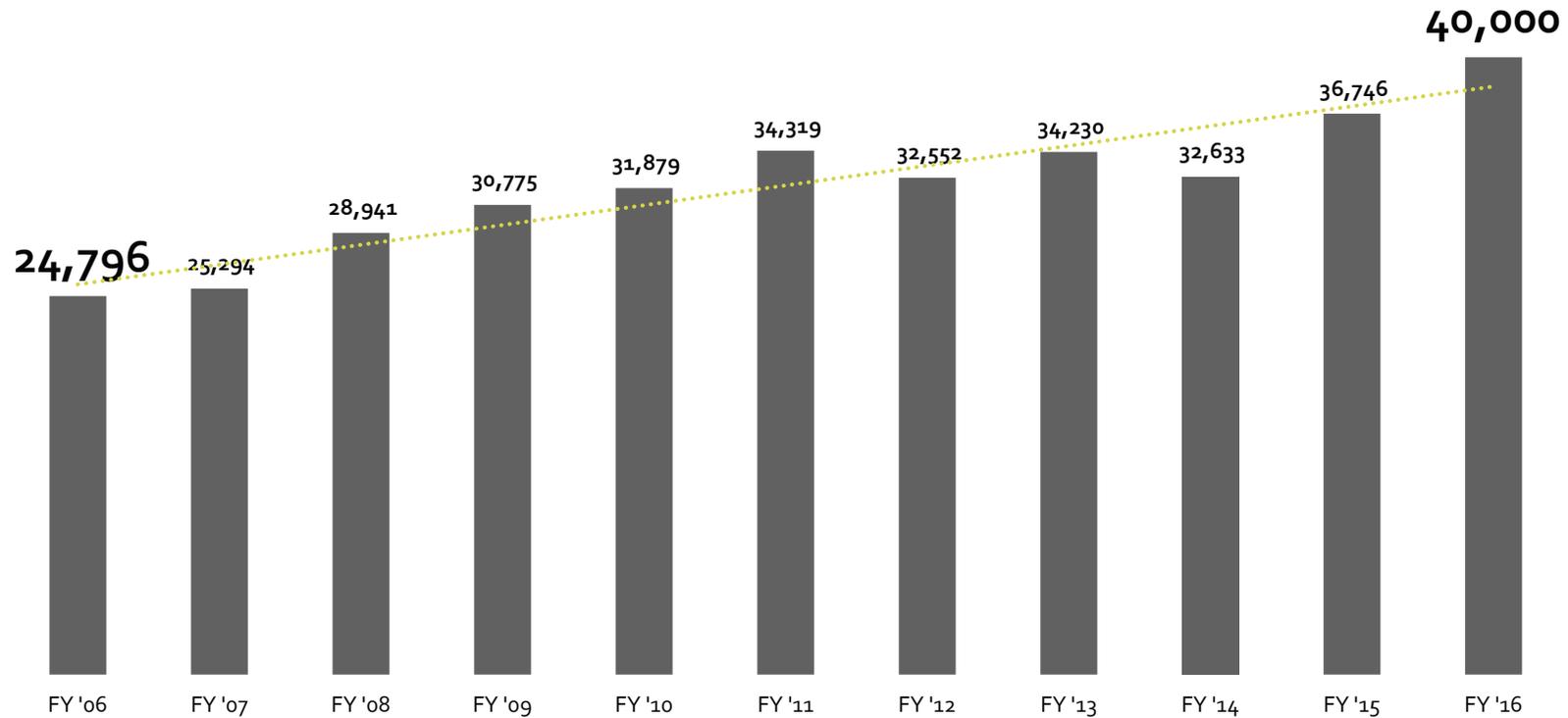


THE HUNTINGTON
Library, Art Collections, and Botanical Gardens

Membership



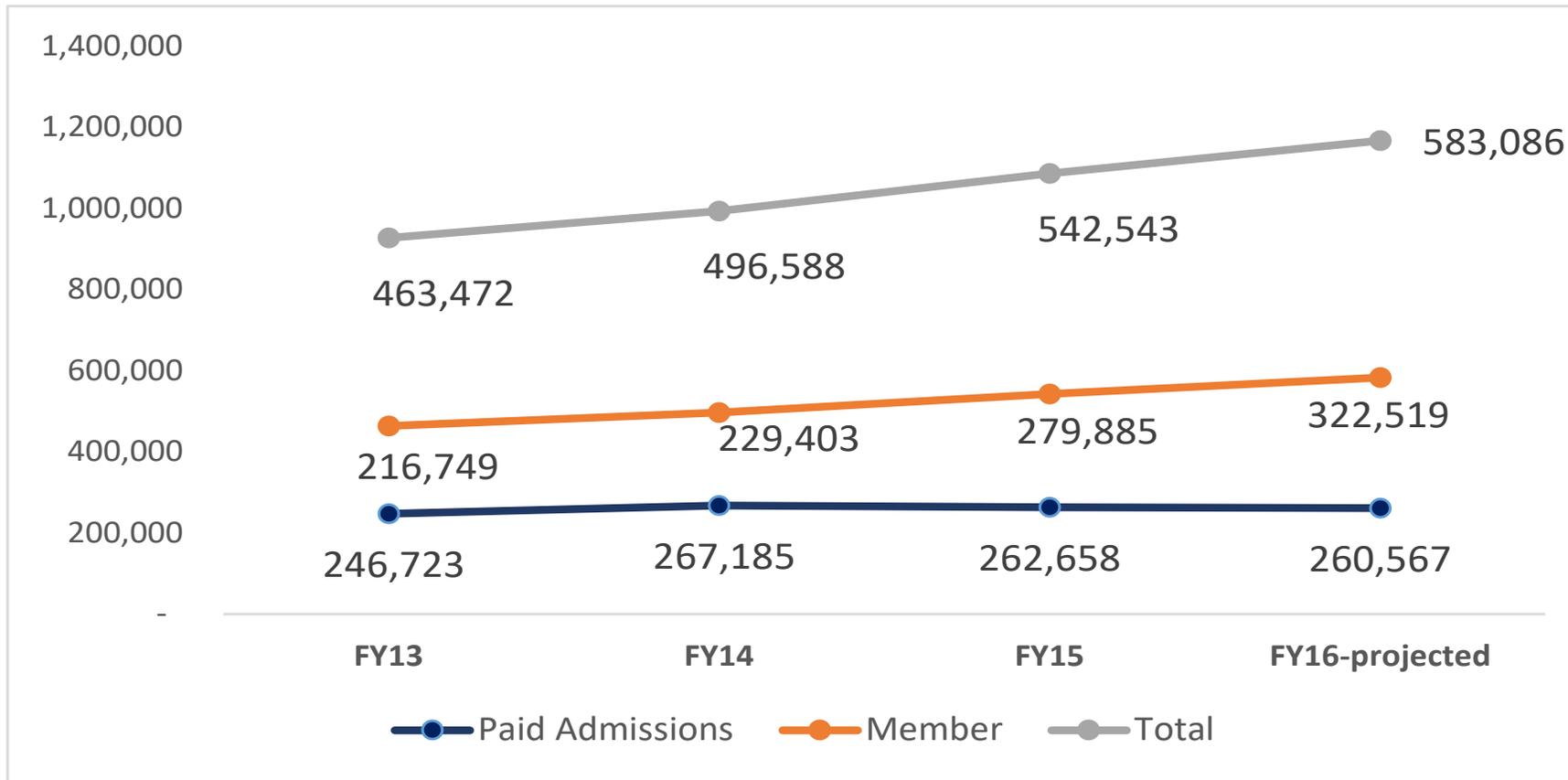
FYo6-FY16 Membership Household Count



Admissions Trends



Paid & Member Admissions FY13-FY16





More Visitors were becoming Members
because of the value

The price between admissions and
membership was out of balance



Pricing Theory

- An entry level membership for **1 adult** is price optimized at **4 visits**
- An entry level membership for **2 adults** is price optimized at **3 visits**
- Our entry/Sustaining level membership for **2 adults** was priced at **\$120 = 2.4 visits**



3 Scenarios Evaluated

Option 1: Raise rates to current price threshold **\$129**

Option 2: Raise rates to next price threshold **\$139**

Option 3: Price optimize **\$149**



Option 2 selected – modest approach

	Current	New	Extra \$ per
Sustaining Contributor	\$120	\$139	\$19
Affiliate	\$200	\$249	\$49
Supporting Patron	\$300	\$350	\$50
Benefactor	\$380	\$500	\$120
	\$700	\$750	\$50
	\$1,500	\$1,500	



Communication Strategy

- Did not call unnecessary attention to increase
- Scripting and training with Membership and Visitor Services team
- Internal memo to Huntington staff, to answer FAQ's



What happened

- Initial staff worries ... with very few Members taking notice
- Increased FY17 Revenue = \$1.2 million
- Steady Member HH Count
 - Very small decrease in renewal rate
 - Put additional retention touch points in place to offset
 - High FY17 attendance aided in strong new Member acquisition



FY18 Initiatives

- Increased Admission Prices by \$2-4 per Visitor (July 1, 2017)
 - Again, crickets!
- Project an \$800k increase in FY18 Revenue
- Will be adjusting base level Membership from \$139 to \$159 (January 1, 2018) to rebalance the relationship between Admission cost & Membership



Key Takeaways

- Have no fear
- Benchmark prices based on the Membership/Admissions relationship—not on what your competitors are charging
- Take into account pricing theory thresholds
- Don't bring unnecessary attention to the change
- Ask your industry colleagues (us!) for help

American Museum Membership Conference

What's The Sweet Spot For Membership?

Background

The data presented is collected our annual Cultural Attraction Attendance Report and our proprietary revenue performance model.

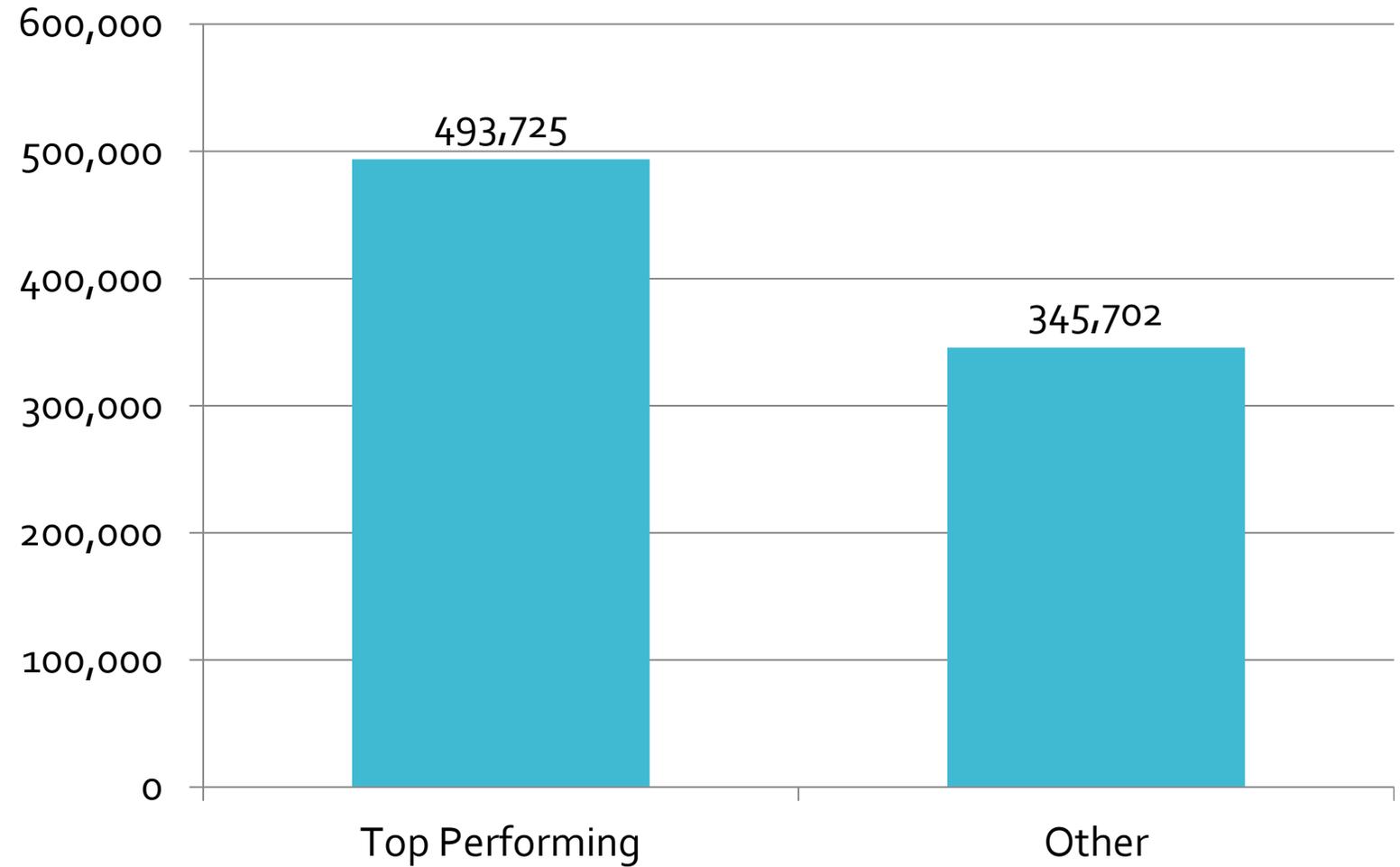
This presentation includes those organizations that maximize their revenue from admissions and membership from the Top 20% and those not in the Top 20%.

Butterfly Garden
Zoo
Jewish Museum
Safari Park
Museum of Fine Arts
Aquarium
Academy of Sciences
Asian Art
Seaport
Aquarium
Aquarium
Aquarium
Jewish Museum
Aquarium
Art Museum
Zoo
Jewish History
Aquarium
Museum of Art
Gardens

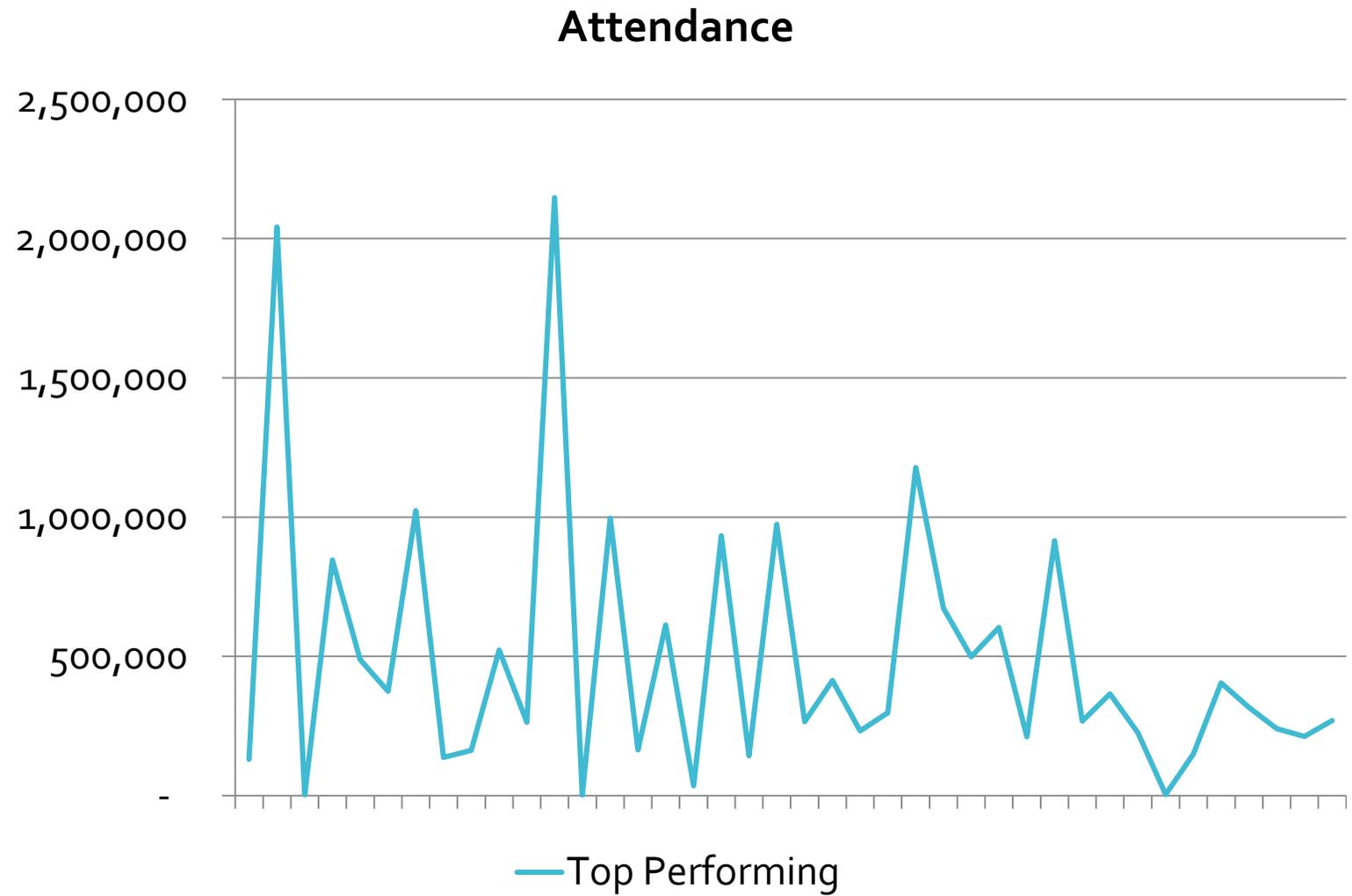
Botanical Garden
Aquarium
Museum of Science
Art Museum
Art Museum
Botanical Garden
Science Museum
Botanical Gardens
Science Center
Zoo
Zoo
Zoo
Planetarium
Museum
Art Museum
Science Center
Museum
Stone Zoo
Garden
Aquarium

Attendance

Average Attendance

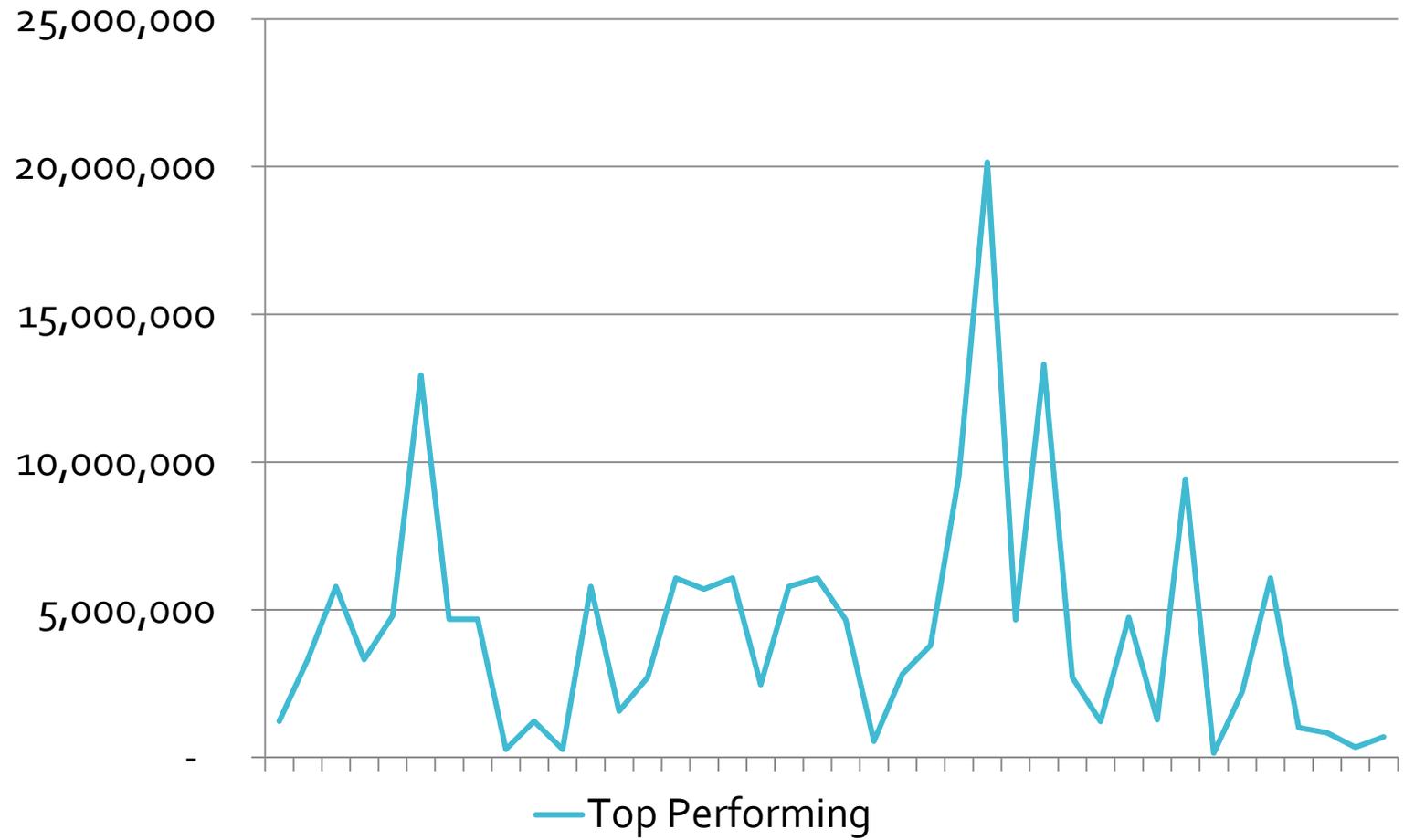


Attendance



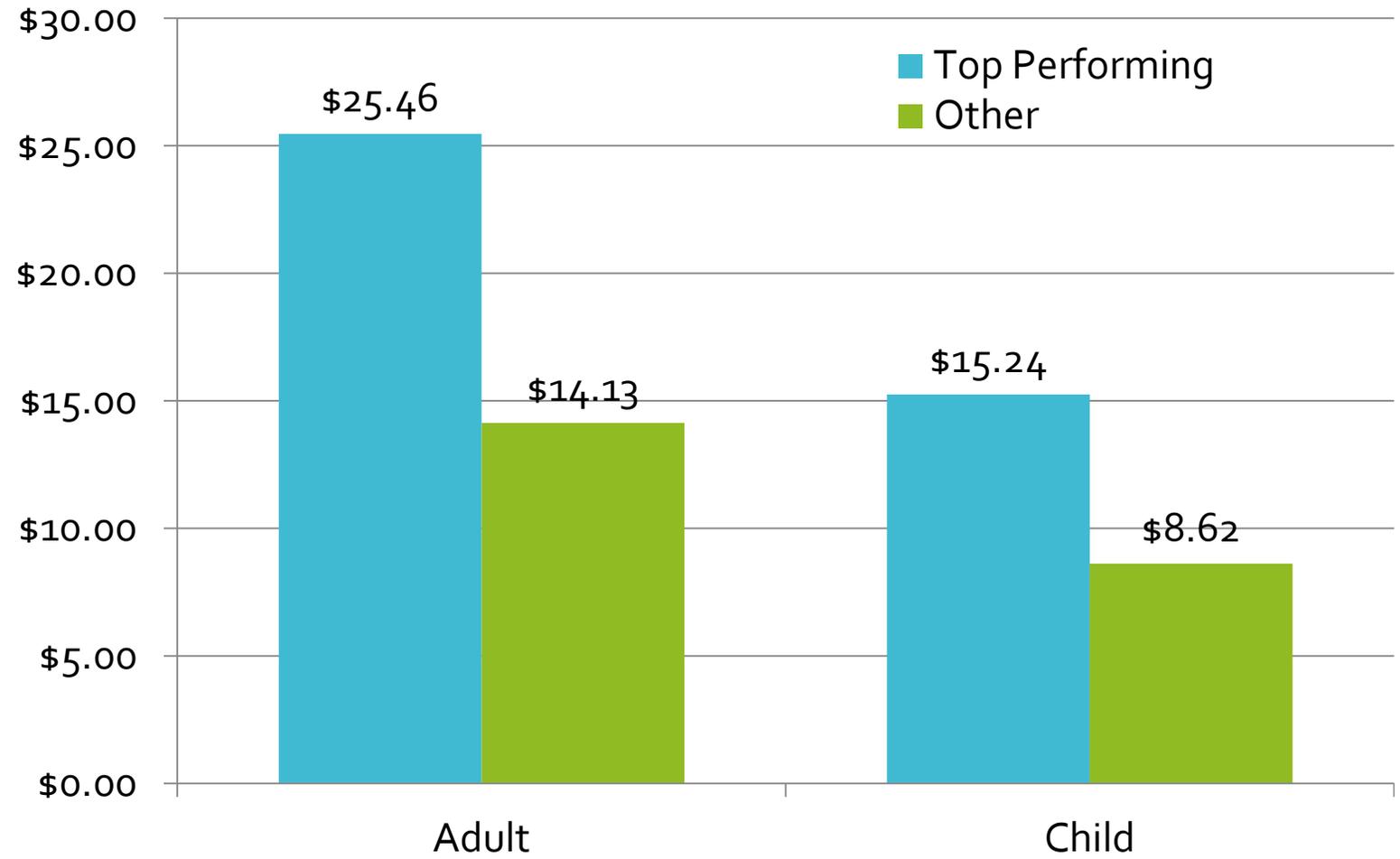
Market Size

Population



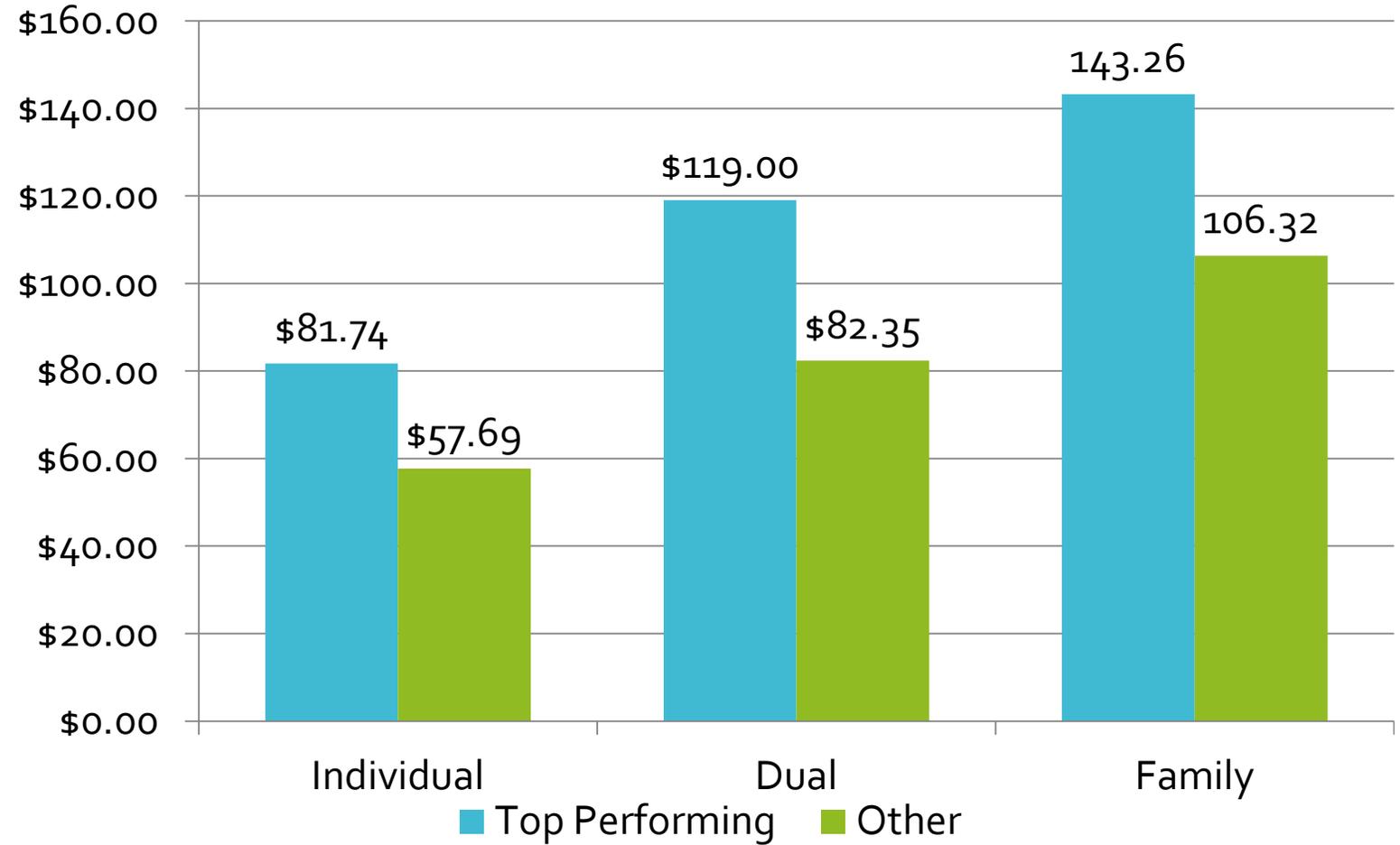
Pricing

Admission



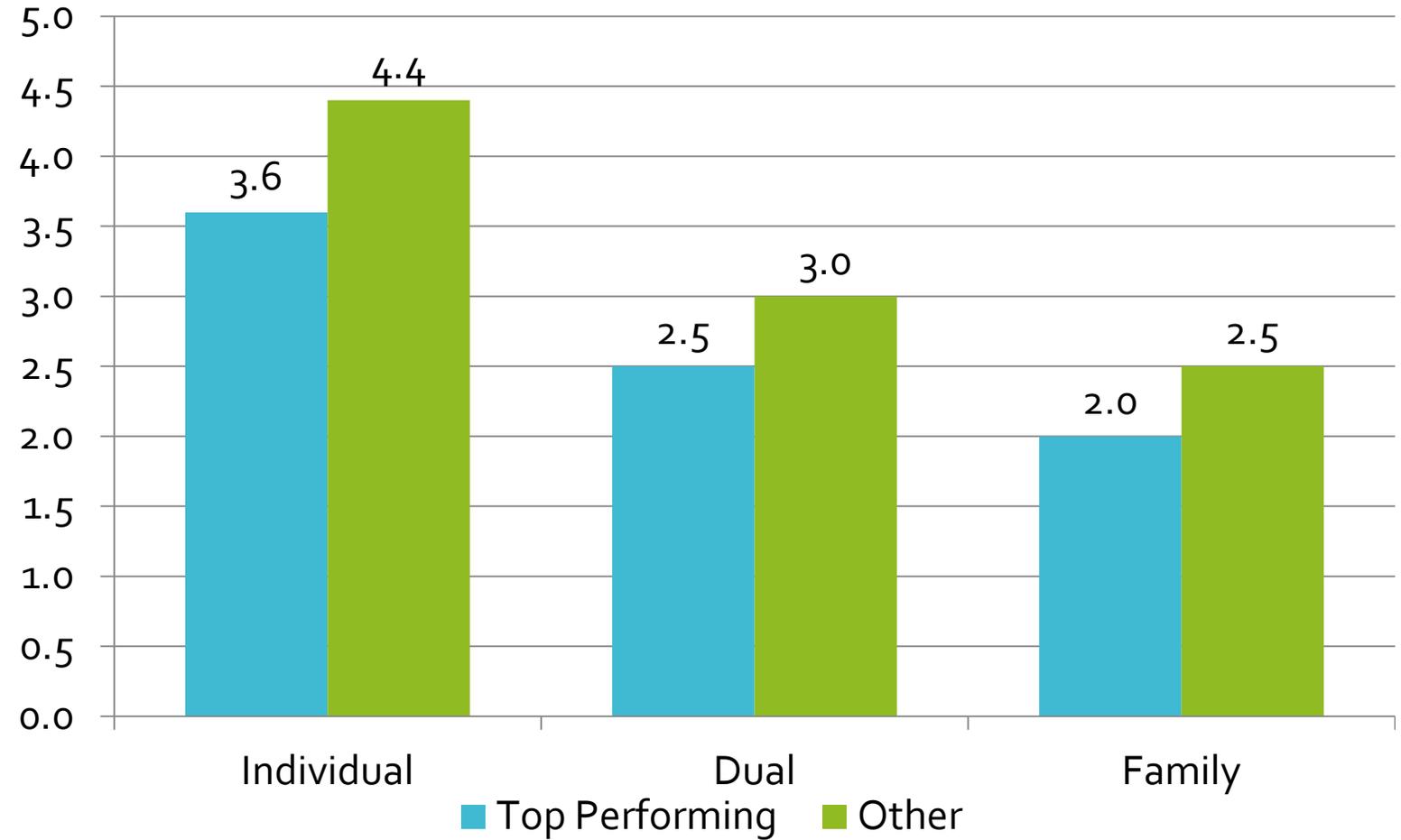
Pricing

Membership

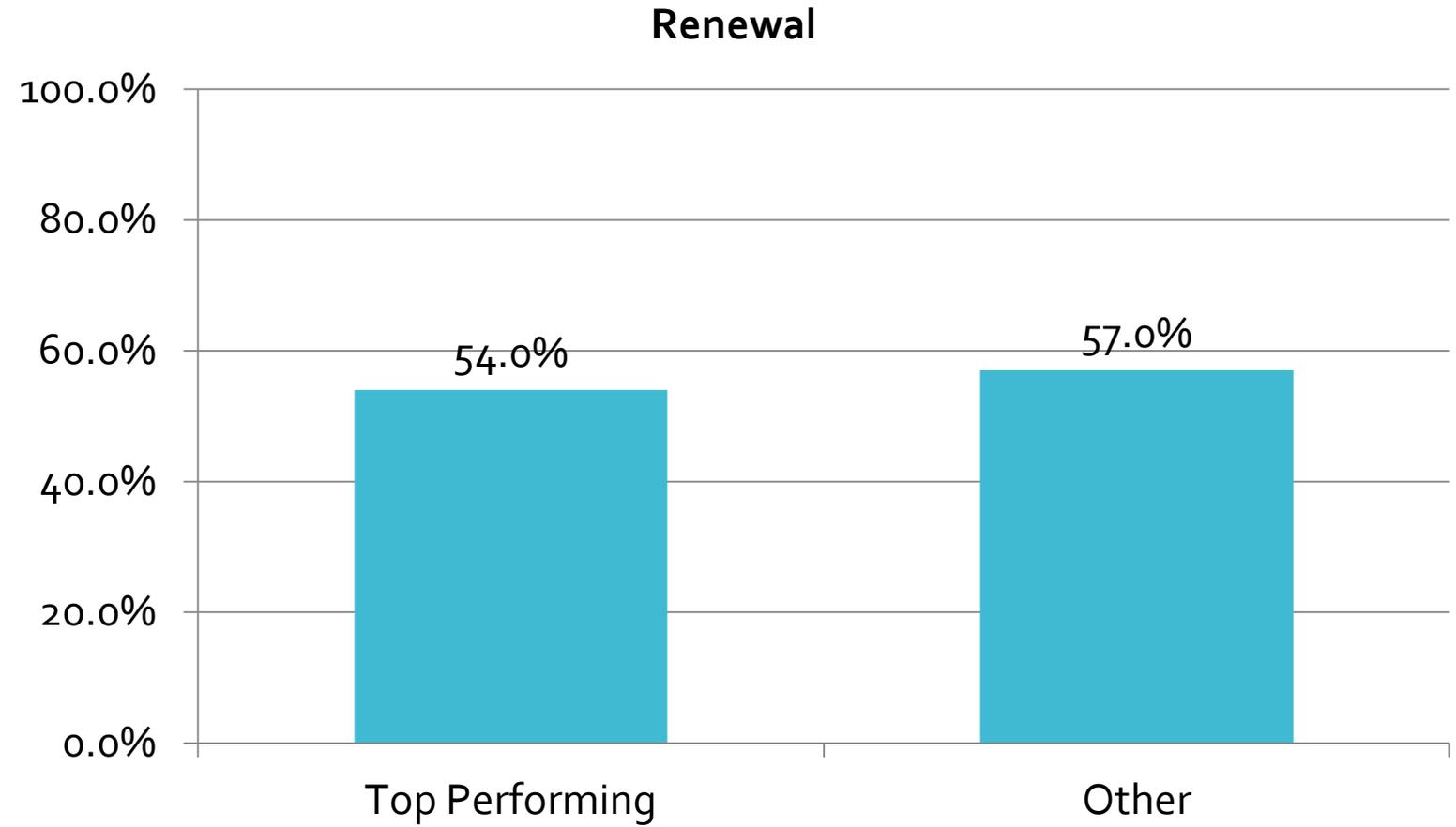


Pricing

Admission to Membership Price Ratio

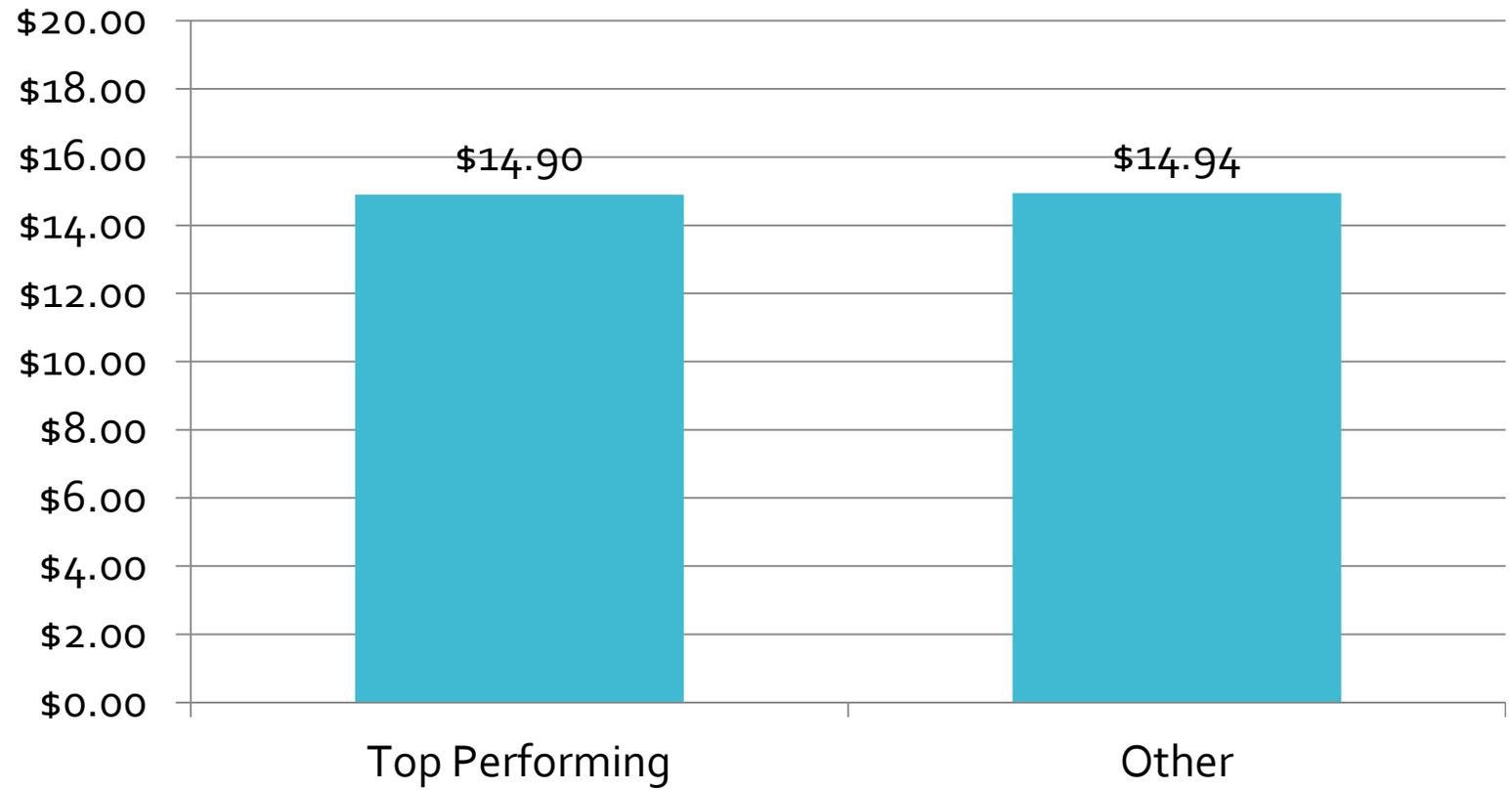


Renewal



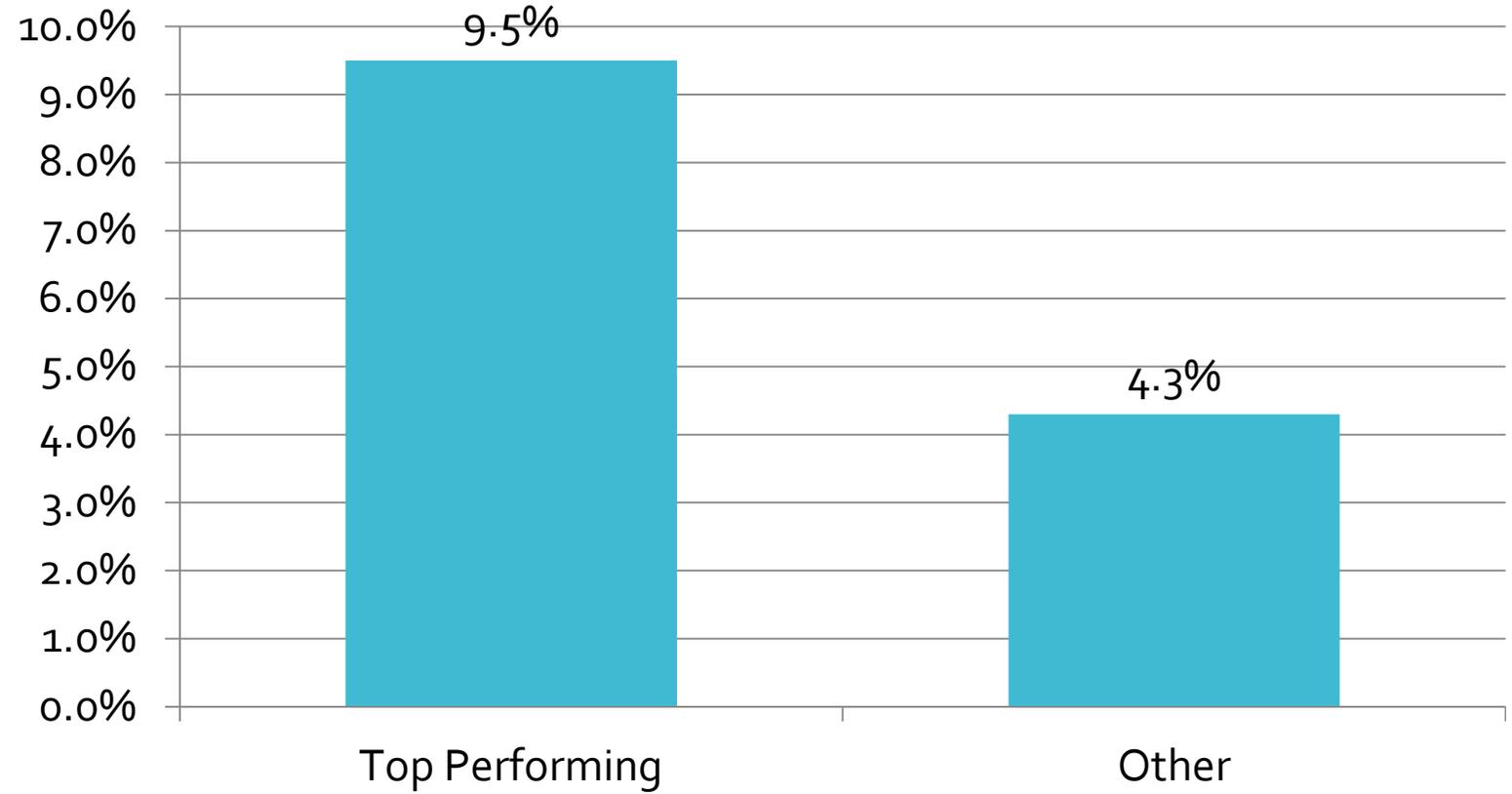
Budget

Average Spend Per Member Household



Size

Membership as a Percentage of GA



Key Findings

Top Performing organizations charge more for admission.

Top Performing organizations charge more for membership, but membership is a better value.

There is no difference in renewal between Top Performing and Others.

There is no difference in membership expenses between Top Performing and Others.

Top Performing organizations acquire two times as many members as compared to Others.

The "Sweet Spot" for membership is approximately 10% of the General Admission attendance.

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